



COMMISSION MEETING AGENDA

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

BOARD MEETING: Monday, March 30, 2026

9:00 am – 12:00 pm

WEB OPTIONS:

<https://housingauthorityofsaltlakecity.my.webex.com/housingauthorityofsaltlakecity.my/j.php?MTID=m79b42951aaa88e85b982a949fab5536f>

OR

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

Meeting number: 2555 230 8586

Password: 1776

PHONE OPTION:

Dial 1-650-479-3208 Access Code: 2555 230 8586 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

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

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

To provide affordable housing opportunities as a stable base for our community

Board of Commission Members

<i>Willam Davis</i>	<i>Board Chair</i>	<i>Unassigned</i>	<i>Board Vice Chair</i>
<i>Brenda Koga</i>	<i>Commissioner</i>	<i>Palmer DePaulis</i>	<i>Commissioner</i>
<i>Fraser</i>	<i>Commissioner</i>	<i>Tess Clark</i>	<i>Commissioner</i>
<i>Nelson</i>			

BOARD MEETING AGENDA

1. Roll Call
2. Public Comment – *Each participant will be allowed 3 minutes for comment.*
3. Motion to Approve HASLC Open Meeting Minutes of February 23, 2026 (attachment) –
Board Chair/ *1 minute - on hold* *Page 1*
4. Election of Officer: Vice Chair (attachment) *Board Chair, William Davis -10 minutes*
Page 2
5. Development Communications Update: *Board Chair, William Davis -5 minutes*
6. **RESOLUTION #891-2026: APPROVING AND AUTHORIZING ITS EXECUTIVE DIRECTOR TO EXECUTE AN OMNIBUS WRITEN CONSENT AND RELATED ACTIONS FOR THE FINANCIAL CLOSING OF ERMA’S AT FAIRMONT AUTHORIZING ACTIONS** such as execution of transaction and partner documents for equity, construction, loans, and related – 50 documents at present.
(attachments) *Executive Director, Daniel Nackerman – 15 minutes*
Page 3
7. **RESOLUTION #892-2026: COMMUNITY PARTNERS REPORT: APPROVING SUPPORT FOR A \$2 MILLION COMMUNITY PROJECT FUNDING REQUEST TO REPRESENTATIVE BLAKE MOORE FOR THE GROVE DEVELOPMENT**
(attachment) *Deputy Director, Britnee Dabb– 10 minutes* *Page 18*
8. **RESOLUTION #893-2026: APPROVING RAD / SECTION 18 SMALL PHA BLEND APPLICATION AND SUBMISSION OF FINANCING PLAN TO HUD FOR PHILLIPS PLAZA & ROMNEY PLAZA** (attachment) *Executive Director, Daniel Nackerman and Deputy Executive Director, Kim Wilford- 3 minutes*
Page 20
9. **RESOLUTION #894-2026: AUTHORIZING DISPOSITION OF PROPERTY AT 1776 SOUTH WEST TEMPLE AND 126 SOUTH JEFFERSON STREET THROUGH SECTION 18 OF THE U.S. HOUSING ACT** (attachment) *Executive Director, Daniel Nackerman and Deputy Executive Director, Kim Wilford– 3 minutes*
Page 47
10. **RESOLUTION #895-2026: APPROVING AND COMMITTING 9 PROJECT-BASED VOUCHERS FOR THE COMMUNITY DEVELOPMENT CORPORATION OF UTAH HOUSING PROJECT** (attachment) *Executive Director, Daniel Nackerman – 10 minutes*
Page 51

11. **FISCAL YEAR 2026 FINANCIAL STATEMENTS THROUGH FEBRUARY.** (attachments) *CFO, Jennifer Nakao – 6 minutes* *Page 53*
12. **ACCOUNT RECONCILIATION (DEBT WRITE-OFFS).** (attachments) *Deputy Executive Director, Kim Wilford and CFO, Jennifer Nakao – 7 minutes* *Page 62*
13. **APPROVAL OF CONTRACT WITH BRONNER GROUP, INC. FOR STRATEGIC PLANNING CONSULTANT SERVICES** (attachments) *Deputy Director, Britnee Dabb and Counsel, Paul Edwards – 12 minutes*
Page 65
14. **EXECUTIVE DIRECTOR REPORT.** (attachments) *Executive Director, Daniel Nackerman – 8 minutes* *Page 7*

CONSENT CALENDAR ITEMS (Can be “removed” to discuss)

15. **VOUCHER LEASING AND BUDGET UTILIZATION.** (attachments) *Section 8 Director, Jackie Rojas*
16. **RESIDENT SUPPORT REPORT.** (attachments) *Deputy Director, Britnee Dabb*
17. **COMMUNITY PARTNERS REPORT.** (attachments) *Deputy Director, Britnee Dabb*
18. **KEY PERFORMANCE INDICATORS (KPI’S)** (attachments) *Deputy Director, Zac Pau’u*
19. **UPDATE ON TAX CREDIT PROPERTY COMPLIANCE** (attachments) *Property Management Director, Vicci Jenkins*
20. Unfinished Business
21. Tentative Closed Session
At any time, the Commission may consider a motion to enter into Closed Session. A closed meeting may be held for specific purposes including, but not limited to:
- a. Discuss Strategy with Respect to Purchase/Sale of Real Property
 - b. Discuss the Character, Professional Competence, or Physical or Mental Health of an Individual**
 - c. Discuss Strategy with Respect to Pending or Reasonably Imminent Litigation**

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

Typical Process: Motion to enter.

Vote to enter.

If entering, certain individuals may be rightly excluded.

After closed discussions motion and vote to end and resume open meeting

Any announcements from closed session

22. Communications:

23. Other Business:

24. Adjournment

Housing Authority of Salt Lake City

Report Provided by: Staff
Department: Executive

Item: Meeting Minutes Past Meeting

Date: March 30, 2026



**Housing Authority
of
Salt Lake City**

**THE MEETING MINUTES FROM THE LAST MEETING
ARE INCOMPLETE AND WILL THEREFORE BE
PRESENTED AT THE
NEXT MEETING**

Housing Authority of Salt Lake City
Staff Report

Report Provided by: William Davis, Board Chair
Department: Commission



Item: Election of Officers – Vice Chair

March 30, 2026



**Housing Authority
of
Salt Lake City**

BACKGROUND:

Pursuant to the adopted Bylaws and amendments of the Housing Authority of Salt Lake City, the Commission elects Officers, Vice Chair and Chair respectively, at the Annual Meeting. That occurred in January but the elected Vice Chair, Darin Mano, stepped down last month taking an employment position that might have been a conflict.

Therefore, we will conduct an election for the Vice Chair today as the replacement.

PROCESS:

- 1) I will open the floor for nominations of Vice Chair
- 2) After receiving nominations, we will likely engage in discussions.
- 3) I will receive or place a name for consideration for Vice Chair. When (if) seconded, we will open for further discussion, then upon a reasonable completion of discussion I will call for the vote.
- 4) Vote for Vice Chair
- 5) If a majority is not confirmed, we will consider a second nomination and so on and so forth.

CONCLUSION:

At the conclusion of the process, we will acknowledge the 2026 Vice Chair.

ACTION RECOMMENDED:

Conduct the election of the continuing Vice Chair for 2026 and announce the new Officer, including for HAME and HDC.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Daniel Nackerman, Executive Director



**Item: Resolution # 891 -2026 Approving an Omnibus Written Consent
Empowering or Directing HASLC and its Executive
Director to Take Certain Actions Shown for the ERMA'S at FAIRMONT
(Fairmont Heights) Project Financing and Development.**



March 30, 2026

BACKGROUND:

The large projects known as Erma's at Fairmont I & II, consisting of a new construction mix of 110-one-and-two-bedroom units for seniors, has been in the pre-development and financing stage for almost two years and is now ready for financial closing and full construction. A preliminary project demolishing the existing office building on site and the start of the site preparation has been completed.

Some unusual elements include the need to establish two condominiums to share the interests of the two phases; a complex sale, the funding and sale of the land from the City; the lease of the land from HASLC to the project; and that a major partner of ours exists in Lincoln Avenue Communities at about a 49-60 % level depending on the element of the partnership.

THE FINANCING:

Key financing consists of the City contribution above, two successful 9% tax credit fundings, and smaller loans. Several lenders and investors are involved including KeyBank, Goldman Sachs, and The State of Utah Olene Walker fund. The contractor is Bonneville Construction who has only recently finalized costs.

THIS ACTION:

This resolution authorizes and approves the Executive Director to execute an omnibus written consent with related actions for the financial closing, including execution of transaction and partner documents for equity, construction, and related documents – fifty such documents at present.

The primary actions will be:

Securing the financing to develop the project through HAME and related entities

Executing numerous documents such as acquisition docs, equity attainment docs, construction financing documents, permanent loan documents, loans from grant funds, service agreement, leases, etc.

Ratifying all actions to date in connection with the land sale, loans, and predevelopment

Authorizing future actions required to complete the transactions

Confirms and accepts voucher assignment

Please see the 4 specific categories of actions within the Resolution.

ANALYSIS:

The approval of the attached revised resolution, with related actions and a resolution by HAME, will cause the final forming of the project financing.

After the full financing is closed the construction will begin shortly thereafter as all plans, specifications, and permits are in place. It is expected the construction contract for Atkinsons Stacks will be approved in today's meeting.

RECOMMENDATION:

APPROVE RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY ("**HASLC**") APPROVING, AND AUTHORIZING ITS EXECUTIVE DIRECTOR TO EXECUTE AN OMNIBUS WRITTEN CONSENT WHICH, IN TURN, WILL AUTHORIZE ITS EXECUTIVE DIRECTOR TO EXECUTE, ON HASLC'S BEHALF, THE AGREEMENTS AND DOCUMENTS DETAILED IN THE OMNIBUS WRITTEN CONSENT, EACH FOR THE PURPOSE OF: (I) SECURING FINANCING TO DEVELOP, CONSTRUCT, REHABILITATE, EQUIP, AND IMPROVE THE PROPERTY INTO A HOUSING PROJECT TO BE KNOWN AS ERMA'S AT FAIRMONT, WHICH WILL INCLUDE APPROXIMATELY 110 RESIDENTIAL LOW INCOME HOUSING TAX CREDIT UNITS (THE "**PROJECT**"), AND WHICH WILL BE LEASED FROM HASLC BY FAIRMONT HEIGHTS APARTMENTS LP (THE "**BORROWER**"); (II) ALLOWING HASLC TO TAKE ALL ACTIONS NECESSARY IN SUPPORT OF THE BORROWER AND HOUSING ASSISTANCE MANAGEMENT ENTERPRISE ("**HAME**") IN THE DEVELOPMENT, CONSTRUCTION, REHABILITATION, EQUIPPING, IMPROVEMENT, OWNERSHIP, LEASING, MANAGEMENT, AND OPERATION THE PROJECT; (III) RATIFYING ALL ACTIONS OF HASLC IN CONNECTION WITH THE PROJECT TO DATE; AND (IV) TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF SALT LAKE CITY
(ERMA'S AT FAIRMONT – FINANCIAL CLOSING)
RESOLUTION # ~~2021~~-2026

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY (“**HASLC**”) APPROVING, AND AUTHORIZING ITS EXECUTIVE DIRECTOR TO EXECUTE AN OMNIBUS WRITTEN CONSENT WHICH, IN TURN, WILL AUTHORIZE ITS EXECUTIVE DIRECTOR TO EXECUTE, ON HASLC’S BEHALF, THE AGREEMENTS AND DOCUMENTS DETAILED IN THE OMNIBUS WRITTEN CONSENT, EACH FOR THE PURPOSE OF: (I) SECURING FINANCING TO DEVELOP, CONSTRUCT, REHABILITATE, EQUIP, AND IMPROVE THE PROPERTY INTO A HOUSING PROJECT TO BE KNOWN AS ERMA’S AT FAIRMONT, WHICH WILL INCLUDE APPROXIMATELY 110 RESIDENTIAL LOW INCOME HOUSING TAX CREDIT UNITS (THE “**PROJECT**”), AND WHICH WILL BE LEASED FROM HASLC BY FAIRMONT HEIGHTS APARTMENTS LP (THE “**BORROWER**”); (II) ALLOWING HASLC TO TAKE ALL ACTIONS NECESSARY IN SUPPORT OF THE BORROWER AND HOUSING ASSISTANCE MANAGEMENT ENTERPRISE (“**HAME**”) IN THE DEVELOPMENT, CONSTRUCTION, REHABILITATION, EQUIPPING, IMPROVEMENT, OWNERSHIP, LEASING, MANAGEMENT, AND OPERATION THE PROJECT; (III) RATIFYING ALL ACTIONS OF HASLC IN CONNECTION WITH THE PROJECT TO DATE; AND (IV) TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

WHEREAS, the Housing Authority of Salt Lake City (“**HASLC**”) is a public body corporate and politic under the laws of the State of Utah;

WHEREAS, Housing Assistance Management Enterprise (“**HAME**”), for the purpose of developing the Project (as defined below) caused the formation of Sugar House Senior, LLC, a Utah limited liability company (the “**HAME Managing Member**”), to become the managing member of Fairmont Heights GP LLC, a Delaware limited liability company (the “**General Partner**”), which is the general partner of Fairmont Heights Apartments, LP, a Utah limited partnership (the “**Borrower**”), which leases the real property located 2257 South 1100 East in Salt Lake City, Utah (the “**Property**”) from HASLC, and applied for and was awarded reservations of low-income housing tax credits (“**LIHTC**”);

WHEREAS, pursuant to a request for proposals issued on behalf of the Borrower, Key Community Development Corporation, Goldman Sachs & Co., LLC, or an affiliate thereof (the “**LIHTC Investor**”), was selected as the LIHTC investor and KeyBank National Association, a national banking association (“**KeyBank**”) was selected to provide construction and permanent loans in connection with the Project;

WHEREAS, the Borrower intends to develop, construct, rehabilitate, equip, improve, own, lease, manage, and operate the Property as a multifamily apartment complex consisting of 110 residential units, with 55 units being in an initial phase of development (“**Phase I**”) and 55 units in a second phase of development (“**Phase II**”), constructed for rental to low-or moderate-income individuals to be known as Erma’s at Fairmont, which residential units are intended to qualify for LIHTC (the “**Project**”);

WHEREAS, HASLC, pursuant to a Declaration of Condominiums of Erma’s at Fairmont (the “**Condo Declaration**”), intends to create a condominium project on the Land which will establish two condominiums that will share an interest in the common elements of the improvements located on the Land pursuant to a formula set forth in the Condo Declaration;

WHEREAS, the Condo Declaration will create the following two condominiums, (1) Phase I consisting of 55 units, including applicable common areas and (2) Phase II consisting of 55 units, including applicable common areas;

WHEREAS, to further ensure the affordability of the Project, the Borrower is expected to enter into one or more Housing Assistance Payment Contracts, and/or an agreement to enter into the HAP Contract (the “**HAP Contract**”) with HASLC to provide project-based rental subsidies to eligible tenants;

WHEREAS, HASLC desires to execute certain documents, which are listed on Exhibit A to the Omnibus Written Consent, which it may be required to execute in order to ensure the availability of the following debt and equity financing to HAME and the Borrower (the debt and equity financing described below, together with the HAP Contract and the Condo Declaration, are collectively referred to herein as the “**Transaction**”): (i) equity contributions in the estimated aggregate amount of \$[33,382,041] from the LIHTC Investor and (ii) the following construction and permanent financing with respect to the Project:

- (A) from KeyBank, a construction loan to the Borrower with a term of [36] months (which may include one or more option of extending for an additional 6 months with payment of an extension fee) in the principal amount of approximately \$[36,955,455] (the “**Construction Loan**”), at an initial expected interest rate equal Adjusted Daily Simple SOFR plus approximately 200 basis points, deferred, with interest payable monthly, and which will be secured by a first priority lien on the Property and the Project improvements;
- (B) from the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise (“**Freddie Mac**”), with KeyBank in its capacity as a seller/servicer (the “**Permanent Lender**”), a loan to the Borrower in the principal amount of approximately \$[13,170,000] (the “**Permanent Loan**”), fully-amortizing for [40] years, with a [17]-year term and an initial expected interest rate inclusive of an estimated spread of [233] basis point over the greater of (a) the yield rate on the ten-year U.S. Treasury (the “**Treasury Rate**”) or (b) the Treasury Floor, which is [3.68]%, but with such rate subject to confirmation by the execution of a Freddie Mac Commitment with a [36]-month forward rate lock;

(C) from the Olene Walker Housing Loan Fund (“**OWHLF**”), (i) a loan to the Company in the principal amount of approximately \$1,000,000, fully amortizing for 40-years at 2.00% and (ii) a loan to the Company in the principal amount of approximately \$1,000,000, fully amortizing for 40-years at 2.00% (together, the “**OWHLF Loans**”). The OWHLF Loans will be secured by a lien on the Project which is subordinate to the Construction Loan and Permanent Loan; and

(D) from HASLC, a HAP Contract, and an Agreement to Enter into a Housing Assistance Payment Contract, for the purpose of providing project-based rental subsidies to eligible tenants from HUD;

WHEREAS, in connection with the Transaction, the Executive Director of HASLC, on behalf of HASLC, intends to execute an Omnibus Written Consent substantially in the form attached hereto as Exhibit A (the “**Written Consent**”) and hereby incorporated by reference, which will authorize HASLC to execute and deliver the documents related to the Transaction substantially as they are described on Exhibit A to the Written Consent (the “**Transaction Documents**”); and

WHEREAS, the Board of Commissioners desires to approve the Written Consent, the execution and delivery by HASLC of certain Transaction Documents, and all actions of HASLC to further the development of the Project.

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

RESOLVED that HASLC is hereby authorized, empowered, and directed to enter into, execute, and deliver the Written Consent and the Transaction Documents to which it is a party, and all other documents required in connection with the Transaction, subject to finalization of certain terms and modifications as may be approved by HASLC’s Executive Director and which are not inconsistent with the intent and terms of this Resolution; and it is further

RESOLVED that any previous actions taken by HASLC or any of its officers in connection with the Transaction, the Written Consent, the Transaction Documents, or any other matter set forth in this Resolution, including, without limitation, that the prior execution and delivery or furnishing of documents and materials by HASLC, are hereby authorized, ratified and confirmed, and to the extent any such previous actions are contrary to this resolution, such prior actions are hereby repealed and replaced with the provisions hereof; and it is further

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

RESOLVED that HASLC’s Executive Director and the Executive Director’s approved designee are hereby authorized to execute, attest, seal and deliver all documents required in connection with the purposes set forth in this Resolution in the form approved by HASLC’s Executive Director, or such designee, and HASLC’s legal counsel, provided the terms of the documents are not inconsistent with the provisions of this Resolution and the authorizing statute and bylaws of HASLC; and it is further

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

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

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY THIS 30th DAY OF MARCH, 2026

Board Chair

Executive Director

Approved as to form by:
Gilmore & Bell, P.C.

EXHIBIT A
OMNIBUS WRITTEN CONSENT

(See attached)

**OMNIBUS WRITTEN CONSENT
(ERMA'S AT FAIRMONT)**

This OMNIBUS WRITTEN CONSENT (this “*Consent*”) is given as of March 30, 2026, by Daniel Nackerman, in his capacity as (i) President of Housing Assistance Management Enterprise, a Utah nonprofit corporation (“*HAME*”); (ii) President of HAME in HAME’s capacity as the sole member of Sugar House Senior, LLC, a Utah limited liability company (the “*Managing Member*”), which is the managing member of Fairmont Heights GP LLC, a Delaware limited liability company (the “*General Partner*”), which is the general partner of Fairmont Heights Apartments LP, a Utah limited partnership (the “*Borrower*”); and (iii) Executive Director of the Housing Authority of Salt Lake City, a public body corporate and politic under the laws of the State of Utah (“*HASLC*”).

W I T N E S S E T H

WHEREAS, Daniel Nackerman is the President of HAME and the Executive Director of HASLC;

WHEREAS, for the purpose of securing an allocation of federal low-income housing tax credits (“*LIHTC*”) from Utah Housing Corporation (“*UHC*”), the Borrower was formed by the filing of its certificate of limited partnership with the Utah Division of Corporations on August 29, 2023;

WHEREAS, HASLC is the owner in fee simple of the property consisting of the land located at 2257 South 1100 East in Salt Lake City, Utah (the “*Land*”) and any improvements thereon (the “*Improvements*” and together with the Land, the “*Property*”);

WHEREAS, the Borrower leases the Land from HASLC for a term of approximately ninety-nine years pursuant to a Lease Agreement dated as of February 28, 2025 (the “*Lease*”), as the same may be amended, and all other documents necessary relating to said Lease;

WHEREAS, the Borrower intends to develop, construct, rehabilitate, equip, improve, own, lease, manage, and operate the Property as a multifamily apartment complex consisting of approximately 110 residential units, with 55 units being in an initial phase of development (“*Phase I*”) and 55 units in a second phase of development (“*Phase II*”), constructed for rental to low-or moderate-income individuals to be known as Erma’s at Fairmont, which residential units are intended to qualify for LIHTC (the “*Project*”);

WHEREAS, HASLC, pursuant to a Declaration of Condominiums of Erma’s at Fairmont (the “*Condo Declaration*”), is expected to create a condominium project on the Land which will establish two condominiums that will share an interest in the common elements of the improvements located on the Land pursuant to a formula set forth in the Condo Declaration;

WHEREAS, the Condo Declaration will create the following two condominiums, (1) Phase 1 consisting of 55 units, including applicable common areas and (2) Phase 2 consisting of 55 units, including applicable common areas;

WHEREAS, the LIHTC units in the Project will be rent and income restricted according to area median income levels (as published by HUD on a yearly basis, "**AMI**"), and, to further ensure the affordability of the Project, the Borrower is expected to enter into or otherwise assume one or more Housing Assistance Payment Contracts (the "**HAP Contract**"), and/or an agreement to enter into the HAP Contract, with HASLC in order to secure project-based rental payments funded by the U.S. Department of Housing and Urban Development ("**HUD**");

WHEREAS, pursuant to a request for proposals issued on behalf of the Borrower for a tax-credit equity investment to utilize the LIHTC and a construction financing partner, Key Community Development Corporation, Goldman Sachs & Co., LLC, or an affiliate thereof (the "**LIHTC Investor**") was selected as the LIHTC investor and KeyBank National Association, a national banking association ("**KeyBank**") was selected to provide construction and permanent loans;

WHEREAS, in order to develop the Project, HAME desires to take the following actions, including all things ancillary and necessary thereto: (i) cause the Borrower to develop, construct, rehabilitate, equip, improve, own, lease, manage, and operate the Project, including HAME's material participation in the Project, and (ii) cause the Borrower or HAME, as the case may be, to obtain the following construction and permanent financing with respect to the Project:

- (A) from KeyBank, a construction loan to the Borrower with a term of [36] months (which may include one or more option of extending for an additional 6 months with payment of an extension fee) in the principal amount of approximately \$[36,955,455] (the "**Construction Loan**"), at an initial expected interest rate equal Adjusted Daily Simple SOFR plus approximately 200 basis points, deferred, with interest payable monthly, and which will be secured by a first priority lien on the Property and the Project improvements;
- (B) from the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise ("**Freddie Mac**"), with KeyBank in its capacity as a seller/servicer (the "**Permanent Lender**"), a loan to the Borrower in the principal amount of approximately \$[13,170,000] (the "**Permanent Loan**"), fully-amortizing for [40] years, with a [17]-year term and an initial expected interest rate inclusive of an estimated spread of [233] basis point over the greater of (a) the yield rate on the ten-year U.S. Treasury (the "Treasury Rate") or (b) the Treasury Floor, which is [3.68]%, but with such rate subject to confirmation by the execution of a Freddie Mac Commitment with a [36]-month forward rate lock;
- (C) from the Olene Walker Housing Loan Fund ("**OWHLF**"), (i) a loan to the Company in the principal amount of approximately \$1,000,000, fully amortizing for 40-years at 2.00% and (ii) a loan to the Company in the principal amount of approximately \$1,000,000, fully amortizing for 40-years at 2.00% (together, the "**OWHLF Loans**"). The OWHLF Loans will be secured by a lien on the Project which is subordinate to the Construction Loan and Permanent Loan; and

(D) from HASLC, a HAP Contract, and an Agreement to Enter into a Housing Assistance Payment Contract, for the purpose of providing project-based rental subsidies to eligible tenants from HUD;

WHEREAS, the Construction Loan, the Permanent Loan, the Condo Declaration, the HAP Contract and the execution of other necessary agreements in connection with the Project, are collectively referred to herein as the “**Transaction**”;

NOW THEREFORE, after consideration of the foregoing, Daniel Nackerman, (i) acting in his capacity of Executive Director of the Housing Authority of Salt Lake City, (ii) in his capacity of President of HAME and on acting on behalf of HAME, and (iii) in his capacity of President of HAME in HAME’s role as sole member of the Managing Member and acting on behalf of the Borrower, hereby agrees as follows:

RESOLVED, that the Borrower, acting through HAME, is hereby authorized to consummate the Transaction and to deliver, on behalf of the Borrower, the Transaction Documents to which it is a party and such other documents or agreements as contemplated thereby, the execution thereof by an Authorized Officer to be conclusive evidence of the approval of such documents, and “**Authorized Officer**” shall mean Daniel Nackerman or other officer of HAME and HASLC, as applicable, whose authorization to sign on behalf of such entity is set forth in that certain Incumbency Certificate of HAME and HASLC, as applicable, dated as of the date hereof;

FURTHER RESOLVED, that Daniel Nackerman, in his capacity as President of HAME, which is the sole member of the Managing Member, which is the managing member of the General Partner, which is the general partner of the Borrower, or other Authorized Officer, is hereby authorized to execute and deliver, on behalf of the Borrower and on behalf of HAME, the Transaction Documents to which the Borrower or HAME, as applicable, is a party;

FURTHER RESOLVED, that Daniel Nackerman, in his capacity as Executive Director of HASLC, or other Authorized Officer, is hereby authorized to execute and deliver, on behalf of HASLC, the Transaction Documents to which HASLC is a party;

FURTHER RESOLVED, that, to the extent that any aspect of the Transaction has commenced or been concluded or any of the Transaction Documents have been previously executed, the same are hereby adopted, affirmed, ratified, confirmed, and approved in all respects; and

FURTHER RESOLVED, that this Consent may be executed in counterparts, including facsimiles, each of which when so executed and delivered shall be deemed an original, and such counterparts shall together constitute one and the same instrument.

[Remainder of Page Intentionally Left Blank—Signature Pages to Follow]

IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed as of the date first written above.

Daniel Nackerman:

the Executive Director of the Housing Authority of Salt Lake City, a public body corporate and politic under the laws of the State of Utah; the President of Housing Assistance Management Enterprise, a Utah nonprofit corporation; which is the sole member of the Sugar House Senior, LLC, the managing member of Fairmont Heights GP LLC, a Delaware limited liability company, which is the general partner of Fairmont Heights Apartments LP, a Utah limited partnership.

EXHIBIT A

Transaction Documents

Equity Documents:

1. Amended and Restated Limited Partnership Agreement of Fairmont Heights Apartments, LP

Construction Financing Documents:

1. Construction Loan Agreement, between the Borrower and KeyBank
2. Promissory Note, made by the Borrower for the benefit of KeyBank
3. Deed of Trust (Leasehold), Assignment of Rents, Security Agreement and Fixture Filing, made by the Borrower to KeyBank as beneficiary, together with the Consent and Fee Joinder thereto, by HASLC and Borrower
4. Assignment of Leases and Rents, made by the Borrower to KeyBank
5. Environmental Indemnity Agreement, made by the Borrower, Lincoln Avenue Capital LLC, a Delaware limited liability company (“*LAC*”) and Lincoln Avenue Capital Management, LLC, a Delaware limited liability company, to KeyBank
6. Assignment of Development Fee made by HAME and Fairmont Heights Developer LLC, a Delaware limited liability company, to KeyBank
7. Capital Contribution Pledge Agreement by the KeyBank to the Borrower
8. Collateral Assignment of General Partnership Interest and Security Agreement, made by the Borrower, the General Partner, and KeyBank
9. Assignment of Housing Assistance Payment Contract, made by the Borrower to KeyBank
10. Disclaimer Letter by the Borrower for the benefit of KeyBank
11. Borrower’s Certificate by the Borrower
12. Advertising Release Form by the Borrower for the benefit of KeyBank
13. Lease Non-Disturbance Attornment and Estoppel Agreement by HASLC in favor of KeyBank
14. Condominium Board Member resignation in favor of KeyBank
15. Estoppel Certificate related to the Condominium by HASLC

Permanent Loan Documents

The Permanent Loan documents are expected to include the following in the latest forms approved by Freddie Mac for use in Utah, including those Riders which the Permanent Lender determines are required under Freddie Mac’s underwriting standards and policies, subject to finalization at the time of conversion to permanent financing and execution of these agreements:

16. Uniform Covenants
17. Utah Multifamily Deed of Trust Deed, Assignment of Rents and Security Agreement, by the Borrower
18. Multifamily Loan and Security Agreement
19. Rider to Multifamily Loan and Security Agreement – Tax Credit Properties

20. Multifamily Note – Fixed Rate Defeasance
21. Subordination Agreement – Governmental Entity – among the Borrower, OWHLF, and Permanent Lender
22. Subordination Agreement – Governmental Entity – among the Borrower, Salt Lake City Corporation, and Permanent Lender
23. Subordination Agreement – Governmental Entity – among the Borrower, the Salt Lake City Community Reinvestment Agency, and Permanent Lender
24. Guaranty – Multistate
25. Financing Statement (Exhibit B)
26. Delivery Assurance Note
27. Assignment of Management Agreement and Subordination of Management Fees among the Borrower, Permanent Lender, and the property manager
28. Rider to Multifamily Note – Tax Credit Properties
29. Rider to Multifamily Note – Recycled Borrower or SPE Equity Owner
30. Rider to Multifamily Note – Regulatory Default Recourse
31. Rider to Multifamily Loan and Security Agreement – Subordinate Debt
32. Rider to Multifamily Loan and Security Agreement – Single Purpose Entity Borrowers
33. Rider to Multifamily Loan and Security Agreement – Regulatory Agreement
34. Rider to Multifamily Loan and Security Agreement – Recycled Borrower
35. Certification of Borrower (Recycled Borrower)
36. Conversion Assurance Note
37. Multifamily Deed of Trust, Assignment of Rents and Security Agreement (Conversion Assurance)

Other Documents:

1. Incumbency Certificate of HAME
2. Incumbency Certificate of HASLC
3. Federal Low-Income Housing Tax Credit Reservation Agreement, between the Borrower and UHC
4. Low-Income Housing Credit Carryover Allocation Agreement, between the Borrower and UHC
5. Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants, between the Borrower and UHC
6. One or more Construction Contracts, between the Borrower and Pentalon Construction Inc., a Utah corporation
7. One or more Agreement for Architectural Services between HASLC and Encompass Design, Inc., a Montana corporation
8. Property Management Agreement, between the Borrower and the property management company
9. Housing Assistance Payment Contract
10. Agreement to Enter into a Housing Assistance Payment Contract
11. Condominium Declaration
12. Bylaws of Erma’s at Fairmont Condominiums Association, Inc.
13. Any and all other documents or agreements contemplated by the other Transaction Documents, including any amendments to the Lease or the existing loan documents

related to the Project from Salt Lake City Corporation or the Salt Lake City Community Reinvestment Agency that are required by KeyBank, the Permanent Lender, or the LIHTC Investor.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Britnee Dabb
Department: Executive



**Item: Approval of Resolution No. 892-2026:
Community Project Funding**

Date: 03/30/2026



Housing Authority
of
Salt Lake City

This report is presented to the Board of Commissioners to provide an update on our FY27 Community Project Funding (CPF) applications and to seek formal approval of Resolution No. 892-2026. This resolution is required to finalize our \$2 million funding request submitted to the office of Representative Blake Moore.

BACKGROUND

To secure gap financing for The Grove, HASLC submitted funding requests to Utah's congressional delegation for the 2027 fiscal year. The Grove is a 196-unit mixed-income development at the historic Northwest Pipeline building, serving families earning 60-80% of the Area Median Income.

The Grove funding plan will include various tax credits to support our initiatives. We have decided to remove the Salt Lake City wealth-building grant from the project, and the CPF, if received, will replace it. The CPF will help households participate in the H.I.V.E. program and promote economic stability in our community. We are committed to ensuring the sustainability and success of these efforts.

The H.I.V.E. Program

The H.I.V.E. (Housing, Independence, Vision, Empowerment) program is at the heart of The Grove. It serves not just as support but as a significant investment in boosting residents' self-reliance and economic mobility. H.I.V.E. serves as a foundation for wealth creation and homeownership, equipping individuals and families with the tools and knowledge to achieve financial independence and lasting stability. The program's main elements include:

- **Integrated Support**: The H.I.V.E. program will support at least 99 families at a time while they reside at The Grove, offering financial coaching, credit improvement, and employment assistance.
- **Pathway to Homeownership**: The program helps families buy homes and build equity. Its effectiveness is clear, as a recent group saw seven households successfully move into homeownership in Salt Lake County.
- **Community Partnerships**: In partnership with various organizations, including universities, colleges, technical schools, and financial institutions, the program connects residents with technical training and career opportunities to promote higher income. This collaboration helps individuals gain the skills and resources needed to advance their careers and increase their earning potential.

RECOMMENDATION

Staff recommends that the Board approve **Resolution No. 892-2026**. This formal endorsement is the final step needed for Representative Moore's CFP application, which requests federal support for a project that provides stable housing and a clear path to financial independence for the families we serve.

END OF THE REPORT

RESOLUTION NO. 892-2026

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY APPROVING SUPPORT FOR A \$2 MILLION COMMUNITY PROJECT FUNDING REQUEST TO REPRESENTATIVE BLAKE MOORE FOR THE GROVE DEVELOPMENT

WHEREAS, the Housing Authority of Salt Lake City (HASLC) has a longstanding mission to provide safe, stable, and affordable housing to residents of Salt Lake County while promoting economic opportunity, family stability, and community growth; and

WHEREAS, H.A.M.E., the nonprofit development arm of HASLC, has successfully developed and managed over 1,800 housing units and plans to bring more than 900 additional units online in the next five years; and

WHEREAS, the Grove development represents a strategic investment in workforce housing, affordable rentals, and pathways to homeownership through the H.I.V.E. model; and

WHEREAS, the Housing Authority of Salt Lake City seeks \$2 million in Community Project Funding from Representative Blake Moore to support the completion of The Grove; and

WHEREAS, HASLC staff has presented information and recommendations to the Board regarding the Community Project Funding request, including its alignment with HASLC's mission, fiscal responsibility, and proven ability to successfully complete housing developments on time and within budget;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Salt Lake City hereby:

1. Supports the Housing Authority's request for \$2 million in Community Project Funding from Representative Blake Moore for The Grove development.
2. Affirms that HASLC will manage and expend the requested funds responsibly, in alignment with the Board's standards for fiscal discipline and project oversight.
3. Authorizes the Executive Director/Secretary and staff to take any necessary steps to advance the request, including communications with Representative Moore's office, federal agencies, and other partners.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY ON THIS 30TH DAY OF MARCH 2026.

Board Chair: _____
William Davis

Executive Director/Secretary: _____
Daniel Nackerman

Approved as to form by:

Gilmore Bell, P.C. _____

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Kim Wilford, Deputy Executive Director

Subject: RESOLUTION #893-2026
Approving RAD / Section 18 Small PHA
Blend Application and Submission of
Financing Plan to HUD for Phillips Plaza &
Romney Plaza

March 30, 2026



Housing Authority
of
Salt Lake City

BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) administers the Rental Assistance Demonstration (RAD) program to preserve and improve public housing by converting Section 9 Public Housing assistance to long-term Section 8 assistance. HUD has also authorized a RAD / Section 18 Small Public Housing Agency (PHA) Blend, which allows qualifying PHAs (i.e., those with fewer than 200 public housing units) to combine RAD conversion authority with Section 18 demolition/disposition authority.

The Housing Authority of Salt Lake City (HASLC) owns and operates Philips Plaza, a 99-unit, one-bedroom and one two-bedroom administrative unit senior public housing development located at 660 South 300 East, and Romney Plaza, a 70-unit senior and disabled public housing development located at 475 East 900 South.

The HASLC Board of Commissioners approved the FY2025 Annual PHA Plan on September 30, 2024. Following HUD approval of that plan, HASLC initiated a Significant Amendment to the FY2025 Annual PHA Plan to authorize participation in the RAD / Section 18 Small PHA Blend. All required public process steps were completed, and on June 30, 2025, the Board approved the Significant Amendment and authorized submission of the RAD / Section 18 Small PHA Blend application to HUD. Plans to fully exit the Public Housing program through a RAD / Section 18 Small PHA Blend were also included in HASLC's approved FY2026 Annual PHA Plan.

During HUD review and due diligence, environmental studies identified conditions at Romney Plaza associated with a former gas station located on a portion of the site. While these conditions are being actively addressed through required remediation, HASLC worked with HUD to amend the original Commitment to Enter into a Housing Assistance Payments Contract (CHAP) and separate the transaction into two distinct RAD conversions to avoid delaying progress at Philips Plaza.

On September 30, 2025, HUD issued separate CHAPs for Philips Plaza and Romney Plaza. While both properties have received CHAP approval, the Romney Plaza conversion is proceeding on a separate timeline due to the environmental remediation requirements. However, staff will continue pursuing the exit of both Philips Plaza and Romney Plaza on separate timelines, inclusive of submission of a Financing Plan while congruently performing remediation of the environmental concerns at Romney Plaza.

PLAN OVERVIEW

Philips Plaza & Romney Plaza RAD / Section 18 Small PHA Blend Conversion

The two properties are proposed to convert assistance under the RAD / Section 18 Small PHA Blend to Project-Based Voucher (PBV) assistance. The Philips Plaza property consists of 99 one-bedroom units

serving senior households and does not have unresolved environmental conditions that would impede conversion. Romney Plaza will follow a separate timeline, addressing the environmental concerns for the 70 one-bedroom unit property while simultaneously providing all compliance related requirements for a timely exit.

Under the Small PHA Blend authorized by PIH Notice 2024-40, a portion of the units convert under Section 18 authority, and a portion convert under RAD, resulting in a single, blended CHAP rent structure. This blended rent provides higher and more predictable revenue than the public housing operating subsidy alone, supporting long-term operations, reserve funding, and capital needs while preserving affordability and resident protections.

HASLC has completed all required resident engagement activities for Phillips Plaza and Romney Plaza, including issuance of the Resident Information Notice (RIN), resident meetings, issuance of the General Information Notice (GIN) in November 2025, and follow-up meetings. Existing residents will retain their assistance, no eligibility re-screening will occur, and rents will continue to be income-based under Section 8, while residents currently paying public housing flat rents will convert to income-based rents at conversion. However, any rent increases greater than \$25 or 10% will be phased in over a three-year period. requirements.

Environmental review for Phillips Plaza identified no material conditions requiring remediation. A HUD Multi-family Accelerated Processing (MAP)-compliant Capital Needs Assessment completed in 2025 identified approximately \$2.02 million in 20-year capital needs, which are addressed through the preliminary financing strategy, while Romney Plaza Capital Needs Assessment identified approximately \$2.56 million in 20-year capital needs, which will be also be addressed in the preliminary financing strategy while also factoring in pricing for environmental remediation.

Preliminary financing plans for Phillips Plaza and Romney Plaza demonstrate long-term feasibility, including conservative permanent debt, full reserve funding, and compliance with HUD and lender requirements. The next major milestone is finalization and submission of the Financing Plan to HUD. The Capital Needs Assessments (CNAs) identified total long-term capital needs of approximately **\$2.0 million for Phillips Plaza** and **\$2.56 million for Romney Plaza**, reflecting differences in building systems, age, and prior reinvestment. Importantly, all **critical life-safety and code compliance items** are addressed in accordance with HUD requirements and must be completed prior to or in connection with closing.

The financing plan intentionally **does not include a large upfront construction or rehabilitation line item** for CNA repairs. Instead, the plan provides for substantial **initial deposits to replacement reserves at closing**—approximately **\$869,000 for Phillips Plaza** and **\$817,000 for Romney Plaza**—to ensure adequate funding for capital replacements over time. While the total CNA needs exceed the initial reserve deposits, the remaining capital requirements are expected to be addressed through a combination of debt proceeds, replacement reserves, ongoing project cash flow, and ownership support as needed over the evaluation period.

Due to **higher per-unit capital needs and ongoing environmental remediation considerations at Romney Plaza**, the Authority has intentionally **sequenced the transactions**, proceeding first with Phillips Plaza while Romney Plaza advances on a parallel but delayed path. This separation reduces execution risk and ensures that each property's financing structure appropriately reflects its physical and environmental conditions.

The financing allows us to purchase the property using a first mortgage and a non-cash seller's note. This structure generates cash proceeds to the Authority, fully funds HUD-required replacement reserves at closing, and establishes a long-term capital plan. While the CNA identifies additional capital needs beyond the initial

reserve deposit, those items are scheduled to be completed over time using reserves and project cash flow rather than requiring immediate construction funding.

RECOMMENDATION:

Adopt **Resolution # 893** approving HASLC's participation in the RAD / Section 18 Small PHA Blend for the conversion of Philips Plaza and Romney Plaza, authorizing submission and implementation of the associated RAD application and Financing Plan to HUD), authorizing submission of an updated FY2026 Annual PHA Plan to HUD that clarifies the separate CHAPs and disposition timelines for Phillips and Romney Plaza, and authorizing the Executive Director, or designee, to execute all certifications, agreements, and related documents necessary to effectuate the conversion in accordance with HUD requirements.

Approval of this resolution affirms that the Board of Commissioners has reviewed and supports continued implementation of the RAD conversion for Philips Plaza and Romney Plaza.

RESOLUTION NO. 89 3 -2026

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY APPROVING HASLC'S UPDATED APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE RENTAL ASSISTANCE DEMONSTRATION PROGRAM (RAD) SMALL PHA SECTION 18 BLEND PROGRAM FOR THE CONVERSION OF 70 PUBLIC HOUSING UNITS LOCATED AT ROMNEY PLAZA AND 100 PUBLIC HOUSING UNITS LOCATED AT PHILLIPS PLAZA..

WHEREAS, The Housing Authority of Salt Lake City (HASLC") owns and operates public housing units including Romney Plaza, located at 475 East 900 South, Salt Lake City, Utah, consisting of 70 dwelling units, and Phillips Plaza, located at 660 South 300 East, Salt Lake City, Utah, consisting of 99 dwelling units; and

WHEREAS, HASLC previously received Board authorization to pursue a portfolio-wide Rental Assistance Demonstration (RAD) conversion and has since completed RAD conversions for a portion of its public housing portfolio; and

WHEREAS, HASLC has determined that conversion of Romney Plaza and Phillips Plaza under the RAD Section 18 Blend program, with project-based rental assistance, will allow HASLC to leverage additional funding sources, including private financing, and other public and private resources, to rehabilitate, modernize, and preserve the property for the long-term benefit of residents and the City; and

WHEREAS, The RAD Section 18 Blend program allows public housing authorities to convert public housing subsidy to long-term, project-based Section 8 rental assistance, providing a more stable and predictable revenue stream to support ongoing operations, capital needs, and long-term asset preservation; and

WHEREAS, HASLC has conducted, or will conduct, all required resident meetings, notifications, and consultations for Romney Plaza and Phillips Plaza in accordance with RAD statutory and regulatory requirements; and

WHEREAS, HASLC staff acknowledge that they have read and understand all applicable RAD and RAD Section 18 Notices, including PIH Notice PIH-2019-23 (HA) through RAD Supplemental Notice 4C, H-2025-01 / PIH-2025-03, which describe the Rental Assistance Demonstration program as well as the RAD Section 18 Blend program, and agree to comply with all applicable program requirements; and

WHEREAS, All materials submitted in association with the application will be accurate, complete, and not misleading; and

WHEREAS, There are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against HASLC, its Executive Director, Board members, or affiliates.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Salt Lake City hereby approves HASLC's updated plans for the conversion of 70 public housing units located at Romney Plaza and 100 public housing units located at Phillips Plaza under the Rental Assistance Demonstration (RAD) program through a RAD Small PHA Section 18 Blend.

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director, or designee, to execute and submit all applications to the U.S. Department of Housing and Urban Development necessary to effectuate the conversion, and any related certifications, documents, or agreements required by HUD, including an update to the FY2026 Annual PHA Plan to clarify the disposition plans for Romney Plaza and Phillips Plaza, and to take all actions necessary or appropriate to implement the RAD conversions for Romney Plaza and Phillips Plaza in accordance with HUD requirements.

PASSED AND APPROVED BY THE BOARD OF
COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE
CITY ON THIS 30th DAY OF MARCH 2026

Board Chair
Bill Davis

Executive
Director/Secretary
Daniel Nackerman

Approved as to form by:

Gilmore Bell, P.C.



MEMORANDUM

Date: November 13, 2025

To: Kim Wilford, Deputy Executive Director, Housing Authority of Salt Lake City

From: Tanya Dempsey, Co-CEO, CSG Advisors

RE: Phillips and Romney RAD with Reserves Model

Executive Summary:

This analysis evaluates the financial structure and long-term sustainability of the Phillips and Romney RAD conversion under Housing Authority of Salt Lake City's (HASLC) portfolio repositioning strategy. The financial model incorporates project-based CHAP rents, capital needs from the Physical Needs Assessment (PNA), and estimated operating performance to test the viability of leveraging debt to support rehabilitation and reserve requirements.

Based on current assumptions and performance data, CSG Advisors recommends utilizing a conservative level of debt financing to supplement existing resources and strengthen liquidity. Leveraging debt allows the Authority to maintain adequate reserves, meet rehabilitation needs, and ensure the long-term operational stability of both assets without drawing down all available internal funds.

Because of the higher rents that are generated because of the 90/10 rent structure, the project generates a cash acquisition payment at closing. This cash acquisition is treated as unrestricted program income, and HASLC can deploy it flexibly to meet broader organizational goals, including funding future affordable housing development, addressing capital needs elsewhere in its portfolio, or supporting strategic initiatives that cannot be financed through restricted project funds.

Phillips Apartments

Rent Structure

The model assumes a 90/10 blended CHAP rent structure, representing a weighted average between tenant-based and project-based voucher revenue potential. This blended rent provides sufficient income to support operating costs and debt service while maintaining affordability. It should be noted that the model does not include any revenue from the two-bedroom office space at the property. Due to environmental remediation sequencing, initial lease-up may be staggered, resulting in a temporary reduction in rental income during early operations.

Physical Needs Assessment (PNA)



The Phillips property reflects approximately \$2,564,912 (\$36,642 per unit) in immediate capital needs across a 20-years. These improvements address unit modernization, building systems, and long-term preservation consistent with the PNA findings. To estimate annual requirements, the first ten years (1-10 year needs) of inflated costs were divided over nine years, excluding year one to account for project closing. The second ten years of inflated costs (11-20 year needs) were divided over ten years to determine the remaining annual capital needs. This results in a total 20-year inflated costs of \$2,564,912.

Operating Expenses

Operating expenses were developed as conservative estimates of \$11,000 per unit and are inflated at 3% annually to account for expected cost escalation.

Permanent Debt

Phillips includes a \$5,538,469 first mortgage at a 7% fixed rate with 30-year amortization, producing a 1.20x DSCR in Year 1.

Acquisition

The acquisition price was calculated using a 5.3 % cap rate derived from CoStar's Salt Lake City submarket data and the project's Year 1 net operating income. The total acquisition price for Phillips is \$10,085,298. Of this amount, approximately \$4,333,372 will be funded in cash, with the remaining \$5,751,926 covered by a seller note. The seller note reflects the unfunded balance needed to match total development costs, with the note amount capped at the total acquisition price.

Soft Costs

Soft costs include standard items typically associated with RAD transactions such as legal, environmental, appraisal, and professional fees. These were modeled using reasonable planning estimates. Financing fees were assumed at two percent of the permanent loan amount to account for lender and closing expenses.

Replacement Reserves

An initial replacement reserve deposit of \$869,327 with an annual deposit of \$450 per unit per year ensures compliance with RAD and lender requirements. The initial deposit was iteratively adjusted in the model so that the reserve balance equals the required minimum level (about 5% of total inflated capital needs) at the end of the 20-year projection.

Romney Apartments

Rent Structure

Like Phillips, Romney assumes a 90/10 blended CHAP rent structure, balancing tenant- and project-based voucher revenue.

Physical Needs Assessment (PNA)



Romney reflects approximately \$2,023,239 (\$20,438 per unit) in 20-year capital needs, addressing key building system replacements and modernization consistent with rehabilitation priorities. To estimate annual requirements, the first ten years (1-10 year needs) of inflated costs were divided over nine years, excluding year one to account for project closing. The second ten years of inflated costs (11-20 year needs) were divided over ten years to determine the remaining annual capital needs. This results in a total 20-year inflated costs of \$2,023,239.

Operating Expenses

Operating expenses were developed as conservative estimates of \$11,000 per unit and are inflated at 3% annually to account for expected cost escalation.

Permanent Debt

Romney's financing plan includes a \$3,916,089 first mortgage at a 7% fixed rate with 30-year amortization, producing a 1.20x DSCR in Year 1.

Acquisition

The acquisition price was calculated using a 5.3% cap rate derived from CoStar's Salt Lake City submarket data and the project's Year 1 net operating income. The total acquisition price for Romney is \$7,131,019. Approximately \$2,795,593 will be funded in cash, with the remaining \$4,335,426 structured as a seller note. The note covers the remaining funds required to meet total development costs, capped at the total acquisition price.

Soft Costs

Soft costs include standard items typically associated with RAD transactions such as legal, environmental, appraisal, and professional fees. These were modeled using reasonable planning estimates. Financing fees were assumed at two percent of the permanent loan amount to account for lender and closing expenses.

Replacement Reserves

An initial replacement reserve deposit of \$817,174 and an annual deposit of \$450 per unit per year is included to maintain compliance with reserve funding requirements. The initial deposit was iteratively adjusted in the model so that the reserve balance equals the required minimum level (about 5% of total inflated capital needs) at the end of the 20-year projection.

Portfolio Summary:

Both Phillips and Romney demonstrate strong financial feasibility under the leveraged RAD with Reserves structure. Each property supports sustainable debt, full reserve funding, and positive long-term operations.

Risk Factors:

The RAD with reserves financing structure may present challenges under HUD's subsidy layering review, depending on how total development costs and eligible expenses are finalized. Beyond

subsidy layering, other considerations include reserve management compliance, timing of reserve transfers, and potential impacts on HASLC's future liquidity. These risks are typical of RAD with Reserves transactions and can be mitigated through careful coordination with HUD, lenders, and internal finance staff during conversion.

Benefits:

The approach ensures that the PNA scope is fully funded through a combination of financing and reserves, addressing both immediate repairs and long-term rehabilitation needs without deferring maintenance. The use of RAD contract rents provides a stable and predictable revenue stream that supports debt service and reserve funding, helping maintain financial stability throughout the 20-year projection period.

Recommendation:

HASLC should proceed with the proposed leveraged financing structure for both properties. This approach maintains balanced cash flow, funds rehabilitation needs, and preserves internal liquidity while advancing HASLC's long-term preservation and modernization strategy.

Timing Considerations & Funding in the Initial Year

In a RAD conversion, funding for the property's initial year (the remainder of the calendar year in which the project closes) is based on the project's pre-conversion tenant rents, Operating and Capital Fund amounts, which HUD converts into a contract rent for the first year.

Starting the first full year after closing, the post-conversion blended rents are locked in through a long-term Section 8 HAP contract, providing stable, predictable revenues for operations and financing. After the first year, rents will adjust annually by the Operating Cost Adjustment Factor (OCAF), ensuring ongoing support for the project's long-term viability.

Sources	Phillips Plaza	Romney Plaza	Total
First Mortgage	\$5,538,469	\$3,916,089	\$9,454,557
Seller Note	\$5,751,926	\$4,335,426	\$10,087,351
GAP	\$0	\$0	\$0
Total	\$11,290,394	\$8,251,514	\$19,541,909
Uses			
Acquisition	\$10,085,298	\$7,131,019	\$17,216,317
Construction/Rehabilitation (PNA through year 2025)	\$0	\$0	\$0
Architectural Design Fee (Plans & Specs)	\$0	\$0	\$0
Feasibility Studies	\$10,000	\$10,000	\$20,000
Environmental Reports	\$10,000	\$10,000	\$20,000
Appraisal/Market Study	\$10,000	\$10,000	\$20,000
Accounting	\$15,000	\$15,000	\$30,000
Survey	\$10,000	\$10,000	\$20,000
Capital Needs Assessment	\$15,000	\$15,000	\$30,000
Legal	\$90,000	\$90,000	\$180,000
Other Soft Costs	\$15,000	\$15,000	\$30,000
Other Professional Fees	\$15,000	\$15,000	\$30,000
Permits	\$20,000	\$20,000	\$40,000
Financing Fees	\$110,769	\$78,322	\$189,091
Title	\$15,000	\$15,000	\$30,000
Initial Deposit to Replacement Reserve	\$869,327	\$817,174	\$1,686,501
Shortfall Reserve	\$0	\$0	\$0
Total	\$11,290,394	\$8,251,514	\$19,541,909
Cash Acquisition (surplus)	\$4,333,372	\$2,795,593	\$7,128,966
Rent Source	Blended CHAP	Blended CHAP	
Units			
0 BR	0	0	0
1 BR	99	70	169
2 BR	0	0	0
3 BR	0	0	0
4 BR	0	0	0
5 BR	0	0	0
Total	99	70	169
Rents			
0 BR	\$0	\$0	\$0
1 BR	\$1,478	\$1,478	\$1,478
2 BR	\$1,771	\$0	\$886
3 BR	\$0	\$0	\$0
4 BR	\$0	\$0	\$0
5 BR	\$0	\$0	\$0
Average Rent	\$1,478	\$1,478	\$1,478
Monthly Total	\$146,322	\$103,460	\$249,782
Annual Total	\$1,755,864	\$1,241,520	\$2,997,384
OpEx Per Unit	\$11,000	\$11,000	\$22,000
Construction Related Costs in Budget			
IDRR	\$869,327	\$817,174	\$1,686,501
PNA through year 2025 (upfront needs)	\$0	\$0	\$0
Total	\$869,327	\$817,174	\$1,686,501
PNA Replacement Reserve Schedule			
Total PNA Needs (including upfront needs)	\$2,023,239	\$2,564,912	\$4,588,151
Difference in PNA Needs & Budget Construction Costs	\$1,153,912	\$1,747,738	\$2,901,650
PNA Needs Per Unit	\$20,437	\$36,642	\$28,539



HUD MAP Capital Needs Assessment

REPORT DATE: July 14, 2025

PROPERTY INFORMATION:

Phillips Plaza
660 South 300 East
Salt Lake City, Salt Lake County, Utah 84111

PROJECT INFORMATION:

AEI Project No. 509479
Site Assessment Date: May 13, 2025

PREPARED FOR:

Housing Authority of Salt Lake City
1776 West Temple
Salt Lake City, Utah 84115

PREPARED BY:

AEI Consultants - Corporate Headquarters
2500 Camino Diablo
Walnut Creek, California 94597

1.800.801.3224
www.aeiconsultants.com

1.0 EXECUTIVE SUMMARY AND PROPERTY DESCRIPTION

AEI was retained by Housing Authority of Salt Lake City on April 23, 2025 to conduct a Capital Needs Assessment (CNA) for the property located at 660 South 300 East, Salt Lake City, Salt Lake County, Utah (the "Property"). The property features 99 dwelling units within 1 apartment building, which was built in 1979 and is situated on 1.25 acres. The property was observed in good to fair physical condition.

The property consists of one (1) eight-story high-rise apartment building, reportedly built in 1979. The building's foundation type is full basement with concrete foundation walls and the building is concrete masonry unit (CMU) and concrete framed with interior metal stud walls. The building's facade consists of Stucco and Concrete Panel siding. The building features a flat roof with a built-up with gravel roofing.

The building is provided heating by Central Hydronic Boiler with Hot Water Coils in Air Handling Units (AHUs), Individual Mini-Split Heat Pump (Split System) with air-cooled condenser, and Individual Gas Furnace, cooling by Central System with Air-cooled Chiller and Individual Mini-Split Heat Pump (Split System) with air-cooled condenser and hot water from Central natural gas-fired boilers (DHW and Heat) with hot water storage tanks.

According to property management, a renovation was completed in 2024 that included the following scope:

- Renovation of ten (10) designated handicapped units
- Patio doors
- Elevators
- Concrete steps and ramp
- Public restrooms

A summary of the Property improvements is provided in the following table.

Item	Description
Property Type	Multifamily (Senior and Disability)
Number of Floors	8
Number of Apartment Units	99
Total Number of Buildings	1
Number of Apartment Buildings	1
Ancillary Buildings	Not Applicable
Parking	59 total spaces 55 of Regular Spaces 4 of Accessible Spaces / 2 of Van Accessible Spaces 0 Covered / 59 Uncovered Source: Site Count
Gross Floor Area	87,208 per Tax records and AEI estimate
Net Rentable Floor Area	50,886 per Client provided
Site Area	1.25 acres per Tax records
Year of Construction	1979 per Tax records

1.1 OVERALL CONDITION OF THE PROPERTY

Code Compliance and Design

Subject property improvements appear to have been carried out in compliance with contemporary building codes and standard building practices at the time of their construction. The Project Manager did not observe any obvious building code violations, nor did management or City report any violations. The quality of planning and design provided for site improvements appears to be suitable, reflecting a relatively efficient use of space and an acceptable use of building materials and systems.

Overall Condition of the Property

Based on AEI's observation of the Property and improvements, the Property appears to be in overall good to fair condition.

Assuming the level of maintenance currently being provided at the subject property is continued and deferred maintenance specified herein is corrected, the property should continue to retain its ability to perform and compete in the local market in the future.

Recommendations in this Report

The recommendations in this report are based upon ASTM guidelines and are limited to visual observations. Testing of systems was not performed and no invasive or destructive testing was undertaken. No recommendations for immediate, further investigation have been included in the Assessment and Recommendation sections of this report.

1.2 REMAINING USEFUL LIFE

Based on the general condition of the Property reported above, it is AEI's opinion that the Remaining Useful Life (RUL) of the Property is estimated to be not less than 50 years barring any natural disasters. This opinion is based on its current condition and maintenance status, assuming any recommended Immediate Repairs or Replacement Reserves are completed and appropriate routine maintenance and replacement items are performed on an annual or as-needed basis. AEI's building RUL estimate is a subjective opinion based on observed and reported conditions obtained as part of the CNA assessment and is not an estimate of the Remaining Economic Life (REL) of the property.

AEI will identify items addressed as operating expenses as opposed to capital replacements that would be included in our Reserves for Replacement when sufficient documentation has been provided by the borrower.

No documentation regarding the differentiation between operating expenses and capital replacements was provided by the borrower.

1.3 LIST OF COMMONLY USED ACRONYMS

ADA	The Americans with Disabilities Act
AHU	Air Handling Unit
ASTM	American Society for Testing and Materials
BOMA	Building Owners & Managers Association
BUR	Built-up Roof System

7.0 OPINIONS OF PROBABLE COST

7.1 FINANCIAL RECAP

Replacement Reserve Summary Table

Replacement Reserve Schedule Term/Inflation Status	Replacement Reserve Schedule Summary Costs	Replacement Reserve Schedule Summary Costs/Per Unit Per Annum
1-10 Year Un-Inflated Costs	\$716,963	\$724
1-10 Year Inflated Costs	\$849,567	\$858
11-20 Year Un-Inflated Costs	\$1,238,144	\$1,251
11-20 Year Inflated Costs	\$1,715,345	\$1,733
1-20 Year Un-Inflated Costs	\$1,955,107	\$987
1-20 Year Inflated Costs	\$2,564,912	\$1,295

7.2 CRITICAL REPAIRS

CRITICAL REPAIRS							CRITICAL REPAIRS (ACCESSIBILITY)			
Need Category	Component	Repair or Replacement Location	Classification of Work	Quantity	Unit of Measure	Unit Cost	Total	Comments		
Common area bath accessories (towel bars, grab bars, toilet stalls, etc.)	ADA - Install Audio/Visual Alarms (Critical Repair)	Men's and women's public restrooms	Level 1 Alteration	2	Each	\$ 1,500.00	\$ 3,000.00	There are no audio/visual alarms installed in the Men's and Women's public restrooms. In order to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG), the installation of audio/visual alarms is required.		
Common area bath accessories (towel bars, grab bars, toilet stalls, etc.)	ADA - Public Restroom ADA Signage (Critical Repair)	Men's and women's public restrooms	Level 1 Alteration	2	Each	\$ 75.00	\$ 150.00	The men's and women's public restrooms were observed without ADA signage. In order to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG), the installation of ADA signage is required.		
Tenant buzzer / Intercom / secured entry system	ADA - Lower Intercom Panel (Critical Repair)	Main entry	Level 1 Alteration	1	Each	\$ 1,000.00	\$ 1,000.00	The intercom panel at the main exit building entry was measured at 53-inches above the finished floor (AFF). In order to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG), lowering the intercom panel to a maximum height of 48-inches AFF is required.		
Fire extinguishers	UFAS - Adjust Extinguisher Cabinet Handles (Critical Repair)	Throughout building	Level 1 Alteration	24	Each	\$ 100.00	\$ 2,400.00	The height of the handles must be modified on the fire extinguisher cabinets, due to the handles exceeding the 54-inch maximum side reach (measured at 60 inches AFF). The modification should be made to comply with UFAS Section 4.2.6.		
Interior doors, solid core, wood, metal clad	UFAS - Assess Door Pull Force (Critical Repair)	Throughout building	Level 1 Alteration	24	Each	\$ -	\$ -	According to the Accessibility Review, dated May 8, 2012, and authored by Harold P. Woodruff Architect/Planner, the common area doors and designated handicapped unit doors pull force exceeds the 5 lb. allowable force. This document was not reviewed until after the site inspection and the pull force of the noted doors was not assessed. The pull force of the doors will require an assessment and modification if they exceed the 5 lb. allowable force.		
Interior doors, solid core, wood, metal clad	UFAS - Correct Door Pull Force (Critical Repair)	Throughout building	Level 1 Alteration	24	Each	\$ 50.00	\$ 1,200.00	According to the Accessibility Review, dated May 8, 2012, and authored by Harold P. Woodruff Architect/Planner, the common area doors and designated handicapped unit doors pull force exceeds the 5 lb. allowable force. This document was not reviewed until after the site inspection and the pull force of the noted doors was not assessed. The pull force of the doors will require an assessment and modification if they exceed the 5 lb. allowable force. The modification should be made to comply with UFAS Section 4.2.3.11.		
Common area railings	UFAS - Adjust Handrails (Critical Repair)	Throughout building	Level 1 Alteration	8	Each	\$ 500.00	\$ 4,000.00	AEG observed the corridor handrail height must be modified, due to being above the 34-inch minimum. The modification should be made to comply with UFAS Section 4.8.5.		
Common area bath accessories (towel bars, grab bars, toilet stalls, etc.)	UFAS - Install Common Area Scald and Abrasion Sink Wrap (Critical Repair)	Office restroom	Level 1 Alteration	1	Each	\$ 80.00	\$ 80.00	The office restroom was observed without scald and abrasion protection at the roll under sink. In order to comply with the Uniformed Federal Accessibility Standards (UFAS), the installation of scald and abrasion protection is required.		
Residential smoke detectors	UFAS - Install Audio / Visual Smoke Detectors (Critical Repair)	AV units	Level 1 Alteration	2	Each	\$ 1,500.00	\$ 3,000.00	The property was originally constructed in 1979 and features project-based assistance. The apartments are therefore subject to the requirements of Section 504 of the Rehabilitation Act of 1973, which states that 2% or two (2) non-designated handicapped dwelling units are required to have audio/visual smoke alarms. In order to comply with UFAS, the installation of audio/visual smoke alarms in two (2) non-designated handicapped dwelling units is required.		
Cabinets & vanities	UFAS - Unit Kitchen Modifications (Critical Repair)	HC units	Level 1 Alteration	10	Each	\$ 1,200.00	\$ 12,000.00	The removal of designated handicapped dwelling unit kitchens (Units 211-811 and 209-409) were observed without a 30-inch wide work surface and with refrigerators that featured more than 50% of the freezer capacity above 54 inches above the finished floor (AFF). In order to comply with the Uniformed Federal Accessibility Standards (UFAS), the installation of 30-inch wide work surfaces and the installation of refrigerators with 50% or more of the freezer capacity at or below 54 inches AFF is required. A fold-down work surface could be considered in a nearby area of the kitchen.		
Interior doors, solid core, wood, metal clad	UFAS - Modify Door Viewers (Critical Repair)	Units 311, 411, 409, 511, 611, and 811	Level 1 Alteration	6	Each	\$ 25.00	\$ 150.00	The accessible unit door viewers at the following designated handicapped dwelling units were measured at 52 to 61 inches AFF: Units 311, 411, 409, 511, 611, and 811. The door viewers should be modified to comply with UFAS Section 4.2.5.		
Tenant electrical panel	UFAS - Modify Panel Height (Critical Repair)	HC units	Level 1 Alteration	10	Each	\$ 200.00	\$ 2,000.00	AEG observed the electrical panel height must be modified in each designated handicapped dwelling unit. The modification should be made to comply with UFAS Section 4.2.7.3.		
Residential smoke detectors	Install HUD Compliant Smoke Detectors (Critical Repair)	Smoke detectors	Level 1 Alteration	99	Each	\$ 35.00	\$ 3,465.00	The dwelling unit bedrooms were observed with non-compliant battery operated smoke detectors. The hallways outside of the sleeping rooms were observed with hard-wired smoke detectors. Per HUD MAP Guidelines, according to Life Safety Code (NFPA 101), paragraph 3.3.4.5.1, smoke alarms must be installed outside every sleeping area in the immediate vicinity of the bedrooms and on all levels of the dwelling unit, including basements. In addition to the NFPA requirements, the regulation in 24 CFR 200.76 requires that smoke detectors must also be installed inside each sleeping area, therefore, the installation of compliant smoke detectors within all the dwelling unit bedrooms is required. The smoke detectors can be either hard wired or battery powered. Battery powered smoke detectors must have the following features, according to the HUD MAP Guidelines: the call must be tamper-resistant; the cells cannot be used in any other toy or appliance; the cells must have a ten-year life; the smoke detector may have a manual silencing device to clear unwanted alarms such as cooking smoke. For the purpose of this report we have budgeted battery powered smoke detectors, allowable by the HUD MAP Guidelines. It is recommended to contact the local municipality to determine if battery-operated smoke detectors are allowable. If further clarification is needed regarding smoke detector compliance, please contact the local reviewing HUD officer.		

Building fire suppression sprinklers, standpipes	Inspect Fire Alarm System (Critical Repair)	Fire alarm	Level 1 Alteration	1	Each	\$	1,000.00	\$	1,000.00	1,000.00	AEI observed the fire alarm inspection tag was dated August 2024. However, the annual inspection report for the fire alarm system was not available. AEI recommends inspecting all fire systems yearly. Please provide the current annual fire alarm inspection report.
Fire extinguishers	Provide Fire Extinguisher Inspection (Critical Repair)	Fire extinguishers	Level 1 Alteration	1	Each	\$	500.00	\$	500.00	500.00	AEI observed the fire extinguisher inspection tag was dated March 2025. However, the annual inspection report for the fire extinguishers was not available. AEI recommends inspecting all fire systems yearly. Inspection of the fire extinguishers is recommended.
Building fire suppression sprinklers, standpipes	Provide Fire Sprinkler Inspection (Critical Repair)	Fire sprinkler system	Level 1 Alteration	1	Each	\$	1,000.00	\$	1,000.00	1,000.00	AEI observed the fire sprinkler system inspection tag was dated August 2024. However, a current annual fire sprinkler inspection report was not observed at the site. AEI recommends inspecting all fire systems yearly. Inspection of the fire sprinklers is recommended.
Tenant electrical panel	Replace Missing Blank in Electrical Panel (Critical Repair)	Unit 811	Level 1 Alteration	1	Each	\$	25.00	\$	25.00	25.00	The breaker panel in dwelling unit 811 was observed with a missing blank. In order to prevent injury to residents and staff, installation of a breaker panel blank protection is required.

Accessibility Subtotal: \$ 28,990.00
Life Safety Subtotal: \$ 5,990.00
Total: \$ 34,970.00

NON-CRITICAL REPAIRS									
Need Category	Component	Repair or Replacement Location	Classification of Work	Quantity	Unit of Measure	Unit Cost	Total	Comments	
Low slope-Built-up Roof, with gravel finish	Built-Up Roof W/ Gravel (Non-Critical Repair)	Roof	Level 1 Alteration	10800	SF	\$ 20.00	\$ 216,000.00	Based on the reported age, the roof is at the end of its Estimated Useful Life (EUL). In order to prevent potential leaks/damaged and improve the condition of the property, the replacement of the roof is recommended.	
Asphalt Seal Coat	Seal Coat Asphalt Parking Lot (Non-Critical Repair)	Parking lot	Level 1 Alteration	24600	SF	\$ 0.30	\$ 7,380.00	The asphalt driveway and parking area sealcoat was observed deteriorated with select areas of damage and past Estimated Use Life (EUL). In order to maintain the driveways and parking areas and improve the condition of the property, the repair, sealcoat, and restriping of the asphalt driveways and parking areas is recommended.	
Carpet - Common	Replace Carpeting - Common Floor (Non-Critical Repair)	Throughout building	Level 1 Alteration	16150	SF	\$ 5.00	\$ 80,750.00	The common area carpet flooring throughout the building was observed soiled, with bubbles and past its Estimated Useful Life (EUL). In order to prevent further damage and to improve the condition of the property, the replacement of the carpet flooring is recommended.	
Emergency Generator	Replace Emergency Generator - 45 kW (Non-Critical Repair)	Basement	Level 1 Alteration	1	Each	\$ 85,000.00	\$ 85,000.00	The 45 kW diesel-powered generator in the basement was observed original to the date of construction (1979), past Estimated Useful Life (EUL), and leaking oil. In order to maintain the emergency generator system and to improve the condition of the property, the replacement of the generator and clean up of the oil is recommended.	
Earthwork, swales, drainways, erosion controls	Bare ground (Non-Critical Repair)	North side of building	Level 1 Alteration	1	Each	\$ 1,000.00	\$ 1,000.00	An area of bare ground was observed at the north side of the property near a dwelling unit patio. In order to prevent further erosion and to improve the condition of the property, reseeded of the area of bare ground is recommended.	
Acoustic tile/drop ceiling - Common	Replace Water-Stained and Missing Acoustical Ceiling Tiles (Non-Critical Repair)	1st and 8th floor	Level 1 Alteration	1	Each	\$ 1,000.00	\$ 1,000.00	Approximately twenty (20) acoustical ceiling tiles throughout the building were observed with water stains or as missing. In order to prevent further damage, the replacement of the stained and missing ceiling tiles is recommended.	
Low slope-Built-up Roof, with gravel finish	Repair Roof Leak (Non-Critical Repair)	Roof at boiler room	Level 1 Alteration	1	Each	\$ 2,000.00	\$ 2,000.00	Property maintenance reported that an active roof leak is located near the rooftop boiler room. In order to prevent further water intrusion and water damage, the source of the water intrusion should be investigated and the repair of any existing water damage is recommended.	
Cast iron sanitary waste	Replace Cast Iron Piping (Non-Critical Repair)	Basement	Level 1 Alteration	140	LF	\$ 75.00	\$ 10,500.00	According to property maintenance, approx. 60% of the cast iron waste piping, running through the basement, was replaced, due to cracking and leaks. Planned improvements include replacing the remaining 40% of cast iron piping in the basement.	

Total: \$ 403,630.00

7.5 PROPERTY INSURANCE SCHEDULE OF REPLACEMENT COST (HUD FORM 92329)

Replacement Cost Per Building

Building Identifier	Replacement Cost of Building Per SF	Source of Replacement Cost	Replacement Cost of Building
Apartment Building	\$ 189.00	Marshall Swift	\$ 16,482,312.00



HUD MAP Capital Needs Assessment

REPORT DATE: July 18, 2025

PROPERTY INFORMATION:

Romney Plaza
475 East 900 South
Salt Lake City, Salt Lake County, Utah 84111

PROJECT INFORMATION:

AEI Project No. 509482
Site Assessment Date: May 12, 2025

DRAFT

PREPARED FOR:

Housing Authority of Salt Lake City
1776 West Temple
Salt Lake City, Utah 84115

PREPARED BY:

AEI Consultants - Corporate Headquarters
2500 Camino Diablo
Walnut Creek, California 94597

1.800.801.3224
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1.0 EXECUTIVE SUMMARY AND PROPERTY DESCRIPTION

AEI was retained by Housing Authority of Salt Lake City on April 23, 2025 to conduct a Capital Needs Assessment (CNA) for the property located at 475 East 900 South, Salt Lake City, Salt Lake County, Utah (the "Property"). The property features 70 dwelling units within 1 apartment building, which was built in 1983 and is situated on 1.17 acres. The property was observed in good to fair physical condition.

The property consists of one (1) five-story mid-rise apartment building, reportedly built in 1983. The building's foundation type is slab on grade and the building is concrete masonry unit (CMU) and concrete framed with interior metal stud walls. The building features an atrium-type construction with elevated walkways/hallways and with dwelling units located at the perimeter of the building. The building's facade consists of Exterior Insulation Finish System (EIFS). The building features a flat roof with a built-up with gravel roofing.

The building is provided heating by Central Hydronic Boiler with Hot Water Coils in Air Handling Units (AHUs) and baseboards, Roof Top Package units (RTUs) - electric, Electric Baseboards, and Individual Thru-wall PTACs (Heat Pump), cooling by Central System with Air-cooled Chiller, Individual Roof Top Package Units (RTU), Individual Split Systems with air-cooled condensing units, and Individual Thru-wall PTACs and hot water from Central, gas-fired, commercial-grade, tank type water heater.

According to property management, a renovation was completed in 2024 that included the following scope:

- Renovation of six (6) designated handicapped units: 101, 102, 103, 108, 112, 114
- Patio doors
- Sliding glass doors
- Metal fencing
- Select concrete sidewalk
- South side automatic doors
- Reseal and repaint EIFS siding
- Eighty (80) vinyl single hung windows
- Gas-fired boiler
- Public restrooms

A summary of the Property improvements is provided in the following table.

Item	Description
Property Type	Multifamily (Senior and Disability)
Number of Floors	5
Number of Apartment Units	70
Total Number of Buildings	1
Number of Apartment Buildings	1
Ancillary Buildings	Not Applicable

Item	Description
Parking	35 total spaces 31 of Regular Spaces 4 of Accessible Spaces / 3 of Van Accessible Spaces 0 Covered / 35 Uncovered Source: Site Count
Gross Floor Area	65,400 per Tax records and AEI estimate
Net Rentable Floor Area	36,330 per Client provided
Site Area	1.17 acres per Tax records
Year of Construction	1983 per Tax records

1.1 OVERALL CONDITION OF THE PROPERTY

Code Compliance and Design

Subject property improvements appear to have been carried out in compliance with contemporary building codes and standard building practices at the time of their construction. The Project Manager did not observe any obvious building code violations, nor did management or City report any violations. The quality of planning and design provided for site improvements appears to be suitable, reflecting a relatively efficient use of space and an acceptable use of building materials and systems.

Overall Condition of the Property

Based on AEI's observation of the Property and improvements, the Property appears to be in overall good to fair condition.

Assuming the level of maintenance currently being provided at the subject property is continued and deferred maintenance specified herein is corrected, the property should continue to retain its ability to perform and compete in the local market in the future.

Recommendations in this Report

The recommendations in this report are based upon ASTM guidelines and are limited to visual observations. Testing of systems was not performed and no invasive or destructive testing was undertaken. No recommendations for immediate, further investigation have been included in the Assessment and Recommendation sections of this report.

1.2 REMAINING USEFUL LIFE

Based on the general condition of the Property reported above, it is AEI's opinion that the Remaining Useful Life (RUL) of the Property is estimated to be not less than 50 years barring any natural disasters. This opinion is based on its current condition and maintenance status, assuming any recommended Immediate Repairs or Replacement Reserves are completed and appropriate routine maintenance and replacement items are performed on an annual or as-needed basis. AEI's building RUL estimate is a subjective opinion based on observed and reported conditions obtained as part of the CNA assessment and is not an estimate of the Remaining Economic Life (REL) of the property.

AEI will identify items addressed as operating expenses as opposed to capital replacements that would be included in our Reserves for Replacement when sufficient documentation has been provided by the borrower.

No documentation regarding the differentiation between operating expenses and capital replacements was provided by the borrower.

1.3 LIST OF COMMONLY USED ACRONYMS

ADA	The Americans with Disabilities Act
AHU	Air Handling Unit
ASTM	American Society for Testing and Materials
BOMA	Building Owners & Managers Association
BUR	Built-up Roof System

7.0 OPINIONS OF PROBABLE COST

7.1 FINANCIAL RECAP

Replacement Reserve Summary Table

Replacement Reserve Schedule Term/Inflation Status	Replacement Reserve Schedule Summary Costs	Replacement Reserve Schedule Summary Costs/Per Unit Per Annum
1-10 Year Un-Inflated Costs	\$792,054	\$1,132
1-10 Year Inflated Costs	\$925,699	\$1,322
11-20 Year Un-Inflated Costs	\$780,421	\$1,115
11-20 Year Inflated Costs	\$1,097,540	\$1,568
1-20 Year Un-Inflated Costs	\$1,572,475	\$1,123
1-20 Year Inflated Costs	\$2,023,239	\$1,445

7.2 CRITICAL REPAIRS

CRITICAL REPAIRS							Comments	
Need Category	Component	Repair or Replacement Location	Classification of Work	Quantity	Unit of Measure	Unit Cost	Total	Comments
Common area bath accessories (towel bars, grab bars, toilet stalls, etc.)	ADA - Install Audio/Visual Alarms (Critical Repair)	Men's and Women's public restrooms	Level 1 Alteration	2	Each	\$ 1,500.00	\$ 3,000.00	There are no audio/visual alarms installed in the Men's and Women's public restrooms. In order to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG), the installation of audio/visual alarms is required.
Striping and Marking	ADA - Reconfigure Handicapped Parking (Critical Repair)	Parking lot	Level 1 Alteration	1	Each	\$ -	\$ -	Based upon the thirty-five (35) standard uncovered parking spaces available at the site, two (2) handicapped accessible parking spaces, inclusive of one (1) van accessible handicapped parking space are required by the Americans with Disabilities Act Accessibility Guidelines (ADAAG). The site currently features four (4) designated handicapped spaces, inclusive of three (3) van accessible spaces; however, the farthest east van accessible space was observed with an access aisle that is too narrow (49 inches wide). In order for the existing designated handicapped parking spaces to comply with ADAAG, the widening of the narrow access aisle is required. Standard handicapped parking spaces require a 60-inch wide access aisle and vertical and horizontal identification. Van accessible handicapped spaces require a 96-inch wide access aisle, vertical signage identifying the space as van accessible, and horizontal identification. The designated handicapped parking spaces should be located at the closest accessible route to the building entrances and two (2) spaces may share a single access aisle. The cost of this repair is included in the asphalt reseal and restripe repair.
Common area bath accessories (towel bars, grab bars, toilet stalls, etc.)	ADA - Install Scald and Abrasion Sink Wrap (Critical Repair)	Public women's restroom and Unit 101	Level 1 Alteration	2	Each	\$ 40.00	\$ 80.00	The public women's restroom was observed without scald and abrasion protection at the roll under sink. In addition, HCP Unit 101 bathroom sink was also with scald and abrasion protection. In order to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG), the installation of scald and abrasion protection is required.
Residential smoke detectors	UFAS - Install Audio / Visual Smoke Detectors (Critical Repair)	AVV units	Level 1 Alteration	2	Each	\$ 1,500.00	\$ 3,000.00	The property was originally constructed in 1983 and features project-based assistance. The apartments are therefore subject to the requirements of Section 504 of the Rehabilitation Act of 1973, which states that 2% or two (2) non-designated handicapped dwelling units are required to have audio/visual smoke alarms. In order to comply with UFAS, the installation of audio/visual smoke alarms in two (2) non-designated handicapped dwelling units is required.
Fire extinguishers	UFAS - Adjust Extinguisher Cabinet Handles (Critical Repair)	Fire extinguisher cabinets	Level 1 Alteration	10	Each	\$ 100.00	\$ 1,000.00	The height of the handles must be modified on the fire extinguisher cabinets, due to the handles exceeding the 54-inch maximum side reach (measured at 59 inches AFF). The modification should be made to comply with UFAS Section 4.2.6.
Interior doors, solid core, wood, metal clad	UFAS - Assess Door Pull Force and install Levered Hardware at Trash Chute Doors (Critical Repair)	Trash chute doors, laundry rooms doors and fitness room door	Level 1 Alteration	5	Each	\$ 100.00	\$ 500.00	According to the Accessibility Review, dated May 8, 2012, and authored by Harold P. Woodruff Architect/Planner, the common area trash chute doors, laundry rooms doors and fitness room door pull force exceeds the 5 lb. allowable force. In addition, the trash chute door handles must be modified, due to use and require tight grasping, pinching and twisting of the wrist. This document was not reviewed until after the site inspection and the pull force of the noted doors was not assessed. The pull force of the doors will require an assessment and modification if they exceed the 5 lb. allowable force. In addition, the trash chute doors will require modification due to knob style hardware. The modification should be made to comply with UFAS Section 4.13.9 and 4.13.10.
Interior doors, solid core, wood, metal clad	UFAS - Correct Door Pull Force (Critical Repair)	Trash chute doors, laundry rooms doors and fitness room door	Level 1 Alteration	15	Each	\$ 100.00	\$ 1,500.00	According to the Accessibility Review, dated May 8, 2012, and authored by Harold P. Woodruff Architect/Planner, the common area trash chute doors, laundry rooms doors and fitness room door pull force exceeds the 5 lb. allowable force. This document was not reviewed until after the site inspection and the pull force of the noted doors was not assessed. The pull force of the doors will require an assessment and modification if they exceed the 5 lb. allowable force. The modification should be made to comply with UFAS Section 4.13.11.
Cabinets & vanities	UFAS - Unit Kitchen Modifications (Critical Repair)	Renovated designated handicapped dwelling unit kitchens (Units 101, 102, 108, 112, and 114)	Level 1 Alteration	6	Each	\$ 1,500.00	\$ 9,000.00	The renovated designated handicapped dwelling unit kitchens (Units 101, 102, 108, 112, and 114) were observed without a 30-inch wide work surface and with refrigerators that featured more than 50% of the freezer capacity above 54 inches above the finished floor (AFF). In order to comply with the Uniformed Federal Accessibility Standards (UFAS), the installation of 30-inch wide work surfaces and the installation of refrigerators with 50% or more of the freezer capacity at or below 54 inches AFF is required. A fold down work surface could be installed near the kitchen as an option.
Unit Entry Door, Exterior, solid wood/metal clad	UFAS - Unit Level Change at Patio Door (Critical Repair)	Patio door threshold in the designated handicapped unit 101	Level 1 Alteration	1	Each	\$ 300.00	\$ 300.00	The patio door threshold in the designated handicapped unit 101 was measured with a 1 inch change in level at the exterior side, exceeding the maximum allowable level difference of 0.25 inches. In order to comply with the Uniformed Federal Accessibility Standards (UFAS), the reconfiguring of the threshold to provide a change in level at 0.25 inches or less is required.
Cabinets & vanities	UFAS - Install Entry Door Openers (Critical Repair)	Entry door in the designated handicapped dwelling unit 101	Level 1 Alteration	1	Each	\$ 2,500.00	\$ 2,500.00	The entry door in the designated handicapped dwelling unit 101 was observed without the minimum 18-inches of clear floor space at the pull-side (14 inches). To comply with the Uniform Federal Accessibility Standards (UFAS), installation of an automatic door opener is required.
Interior doors, solid core, wood, metal clad	UFAS - Modify Door Viewers (Critical Repair)	Units 102, 108, and 114	Level 1 Alteration	3	Each	\$ 25.00	\$ 75.00	The accessible unit door viewers at the following designated handicapped dwelling units were measured at 58 to 62 inches AFF or did not feature door viewers: Units 102, 108, and 114. The door viewers should be lowered (Units 102 and 114) or installed (Unit 108). The modifications should be made to comply with UFAS Section 4.2.5.

Need Category	Component	Repair or Replacement Location	Classification of Work	Quantity	Unit of Measure	Unit Cost	Total	Comments
Residential smoke detectors	Install HUD Compliant Smoke Detectors (Critical Repair)	Bedroom smoke detectors	Level 1 Alteration	62	Each	\$ 35.00	\$ 2,170.00	The non-designated handicapped dwelling unit bedrooms were observed with non-compliant battery operated smoke detectors. The hallways outside of the sleeping rooms were observed with hard-wired smoke detectors. Per HUD MAP Guidelines; according to Life Safety Code (NFPA 101) paragraph 31.3.4.5.1, smoke alarms must be installed outside every sleeping area in the immediate vicinity of the bedrooms and on all levels of the dwelling unit, including basements. In addition to the NFPA requirements, the regulation in 24 CFR 200.76 requires that smoke detectors must also be installed inside each sleeping area, therefore, the installation of compliant smoke detectors within all the dwelling unit bedrooms is required. The smoke detectors can be either hard wired or battery powered. Battery powered smoke detectors must have the following features, according to the HUD MAP Guidelines: the cell must be tamper-resistant; the cells cannot be used in any other toy or appliance; the cells must have a ten-year life; the smoke detector may have a manual silencing device to clear unwanted alarms such as cooking smoke. For the purpose of this report we have budgeted battery powered smoke detectors, allowable by the HUD MAP Guidelines. It is recommended to contact the local municipality to determine if battery-operated smoke detectors are allowable. If further clarification is needed regarding smoke detector compliance, please contact the local reviewing HUD office.
Range, cook top, wall oven	Install Heat Shield (Critical Repair)	Heat shields at range	Level 1 Alteration	62	Each	\$ 125.00	\$ 7,750.00	The non-designated handicapped dwelling unit ranges are installed directly next to a wall, which does not have any type of heat shield installed. In order to prevent a grease or fire damage, the installation of a heat shield is required.
Building fire suppression sprinklers, standpipes	Inspect Fire Alarm System (Critical Repair)	Fire alarm	Level 1 Alteration	1	Each	\$ 1,000.00	\$ 1,000.00	The annual inspection report for the fire alarm system was not available. AEI recommends inspecting all fire systems yearly. Please provide the current annual fire alarm inspection report.
Drywall - Common	Repair Water Leak and Damaged Drywall Ceiling (Critical Repair)	Drywall ceiling of the 4th floor corridor	Level 1 Alteration	1	Each	\$ 1,200.00	\$ 1,200.00	AEI observed evidence of a water leak in the form of bubbling and peeling paint at the drywall ceiling of the 4th floor corridor. In order to prevent further damage to the buildings and to prevent the conditions for mold growth, the repair of the water leak and associated drywall damage is recommended.
Aluminum	Repair Leaking Aluminum Storefront Window (Critical Repair)	Aluminum storefront windows in the 5th floor laundry room	Repair	1	Each	\$ 400.00	\$ 400.00	AEI observed a small water leak at the aluminum storefront windows in the 5th floor laundry room. In order to prevent further water intrusion and damage to the building, the repair of the window leak and associated drywall damage is recommended.
						Accessibility Subtotal: \$	20,855.00	
						Life Safety Subtotal: \$	12,500.00	
						Total: \$	33,475.00	

NON-CRITICAL REPAIRS									
Need Category	Component	Repair or Replacement Location	Classification of Work	Quantity	Unit of Measure	Unit Cost	Total	Comments	
Low slope-Built-up Roof, with gravel finish	Built-Up Roof W/ Gravel (Non-Critical Repair)	Roof	Level 1 Alteration	11900	SF	\$ 15.00	\$ 178,500.00	Based on the reported age, the roof is at the end of its Estimated Useful Life (EUL). In order to prevent potential leaks/damaged and improve the condition of the property, the replacement of the roof is recommended.	
Boilers, Oil/ Gas/ Dual Fuel, High MBH - Centralized	Repair Inoperable Gas-Fired Boiler (HVAC) 999,000 Btu (Non-Critical Repair)	Roof top mechanical room	Repair	1	Each	\$ 2,500.00	\$ 2,500.00	Property maintenance reported the 999,000 Btu gas-fired boiler was not in operation and in need of parts. In order to provide adequate heat for the building, the procurement of needed parts and repair of the inoperable boiler is recommended.	
Paints, stains, clear finishes, interior - Common	Repair Water Damage (Non-Critical Repair)	5th floor painted CMU corridor wall	Level 1 Alteration	1	Each	\$ 100.00	\$ 100.00	Evidence of a past roof leak was observed in the form of peeling paint at a 5th floor painted CMU corridor wall. Property maintenance reported that the roof leak was repaired. In order to improve the property condition, the repainting of the peeling paint at the 5th floor CMU corridor wall is recommended.	
Asphalt Seal Coat	Seal Coat Asphalt Parking Lot (Non-Critical Repair)	Parking lot	Level 1 Alteration	15300	SF	\$ 0.30	\$ 4,590.00	The asphalt driveway and parking area sealcoat was observed deteriorated with select areas of damage and past Estimated Use Life (EUL). In order to maintain the driveways and parking areas and improve the condition of the property, the repair, sealcoat, and restriping of the asphalt driveways and parking areas is recommended.	
Earthwork, swales, drainways, erosion controls	Bare ground (Non-Critical Repair)	North side of the building	Level 1 Alteration	1	Each	\$ 500.00	\$ 500.00	Areas of bare ground and unfinished landscaping (unfilled holes) were observed at the north side of the building. In order to prevent further erosion and to improve the condition of the property, completion of the landscaping project and reseeding the areas of bare ground is recommended.	
Drywall	Replace Missing Drywall Ceiling in Unit 505 (Non-Critical Repair)	Closet ceiling drywall in dwelling unit 505	Level 1 Alteration	1	Each	\$ 250.00	\$ 250.00	The closet ceiling drywall in dwelling unit 505 was observed missing due to the repair of a roof drain pipe leak. In order to improve the property condition, the replacement of the noted drywall is recommended.	

Total: \$ 186,440.00

7.5 PROPERTY INSURANCE SCHEDULE OF REPLACEMENT COST (HUD FORM 92329)

Replacement Cost Per Building

Building Identifier	Replacement Cost of Building Per SF	Source of Replacement Cost	Replacement Cost of Building
Apartment Building	\$ 149.00	Marshall Swift	\$ 9,744,600.00

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Dan Nackerman, Executive Director and Kim Wilford, Deputy Executive Director

Subject: RESOLUTION #89 4 - 2026
Authorizing Disposition of Property at 1776 South West Temple and 1726 South Jefferson Street through Section 18 of the U.S. Housing Act

March 30, 2026



Housing Authority
of
Salt Lake City

BACKGROUND:

Section 18 of the U.S. Housing Act of 1937 authorizes public housing authorities, with approval from the U.S. Department of Housing and Urban Development (HUD), to dispose of public housing property that is no longer suitable or necessary for program purposes. Section 18 disposition provides flexibility for housing authorities to responsibly remove assets from the Public Housing program while ensuring appropriate oversight, resident consultation, and continued advancement of affordable housing and public benefit objectives.

The Housing Authority of Salt Lake City (“HASLC”) is continuing its strategic transition away from the Public Housing program toward more sustainable housing and operational models. As part of this effort, HASLC is evaluating the appropriate disposition of non-dwelling properties that are no longer essential to the long-term administration of housing programs.

HASLC currently owns and operates two non-residential properties that have been historically associated with Public Housing operations:

- **HASLC Main Administrative Office**
1776 South West Temple, Salt Lake City, Utah
- **HASLC Warehouse Facility**
1726 South Jefferson Street, Salt Lake City, Utah 84115

These properties do not contain dwelling units and are no longer optimally aligned with HASLC’s future operational needs. Their continued inclusion in the Public Housing program limits HASLC’s ability to reposition the sites and deploy resources in a manner that best advances affordable housing objectives.

Under **Section 18 of the U.S. Housing Act of 1937**, public housing authorities may request HUD approval to dispose of public housing property, including non-dwelling assets, subject to required consultations, local government support, and Board approval. Plans to fully exit the Public Housing program, including these two non-residential properties, were included in HASLC’s approved FY2026 Annual PHA Plan

PLAN OVERVIEW

HASLC staff are requesting Board authorization to submit a **Section 18 disposition application** to the U.S. Department of Housing and Urban Development for the administrative office and warehouse properties.

Key elements of the proposed action include:

- **HUD Approval Required:**
Disposition of these properties requires HUD approval under Section 18, including compliance with resident consultation requirements and submission of supporting documentation.
- **No Loss of Housing Units:**
The proposed disposition does **not** result in the removal of any dwelling units and will not reduce the supply of affordable housing.
- **Future Affordable Housing Opportunity:**
Disposition of the main office property is intended to support future redevelopment opportunities, including the potential development of affordable housing on the site. HASLC is currently pursuing rezoning efforts to allow for such redevelopment, subject to City approvals and future Board action.
- **Operational and Financial Benefits:**
Removal of these non-dwelling assets from the Public Housing program will allow HASLC greater flexibility to modernize its administrative footprint, reduce long-term maintenance obligations, and reinvest resources in housing-related priorities consistent with HUD requirements.
- **Compliance and Oversight:**
HASLC will ensure that all materials submitted to HUD are accurate, complete, and not misleading, and that any approved disposition is carried out strictly in accordance with HUD's terms and conditions.

Approval of this action authorizes **submission of the application only**, as well as relevant clarifications to the FY2026 Annual PHA Plan. Any future sale, redevelopment, or financing structure associated with the properties will be brought back to the Board for review and approval as appropriate. This action supports HASLC's long-term strategic goals, promotes operational efficiency, and positions these assets for future use in a manner that advances affordable housing and community benefit.

RECOMMENDATION:

Staff recommend that the Board of Commissioners **approve Resolution No. 89 4 - 2026**, authorizing the Executive Director, or designee, to submit a Section 18 disposition application to HUD for the HASLC administrative office and warehouse properties located at 1776 South West Temple and 1726 South Jefferson Street, and authorizing the Executive Director or designee to submit an updated FY2026 Annual PHA Plan to HUD to clarify the disposition of these properties.

RESOLUTION NO. 894-2026

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY AUTHORIZING DISPOSITION OF PROPERTY AT 1776 South West Temple, Salt Lake City, Utah and 1726 South Jefferson Street, Salt Lake City, Utah 84115 AND CERTIFYING AN AGREEMENT TO COMPLY WITH ALL REQUIREMENTS OF SECTION 18 OF THE U.S. HOUSING ACT OF 1937

WHEREAS, HASLC wishes to dispose of the non-dwelling property located at 1776 South West Temple, Salt Lake City, Utah and 1726 South Jefferson Street, Salt Lake City, Utah 84115; and

WHEREAS, disposition of these properties would allow HASLC to pursue development of affordable housing; and

WHEREAS, disposition of these properties requires approval by the U.S. Department of Housing and Urban Development (“HUD”) in accordance with Section 18 of the U.S. Housing Act of 1937; and

WHEREAS, HUD approval requires consultation with residents, the support of local government, and the approval of HASLC’s Board of Commissioners; and

WHEREAS, HASLC will conduct all necessary steps and prerequisites required for the application, and

WHEREAS, the Executive Director and/or his designee shall be authorized to submit the disposition application for the properties located at 1776 South West Temple, Salt Lake City, Utah and 1726 South Jefferson Street, Salt Lake City, Utah 84115; and

WHEREAS, all materials submitted in association with the application will be accurate, complete, and not misleading; and

WHEREAS, if the application is approved, HASLC will dispose of the property consistent with the terms of the HUD approval; and

WHEREAS, that this Board Approval format is approved by the Board of Commissioners on the date noted below,

NOW, THEREFORE BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Salt Lake City hereby adopts Resolution No. 890-2026 authorizing the Executive Director of HASLC and/or his designees to submit the appropriate disposition application; and

BE IT FURTHER RESOLVED that if the disposition application should be approved, Resolution No. 89_-2026 also authorizes HASLC to execute the necessary documents to close the transaction.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF SALT LAKE CITY ON THIS 30th DAY OF MARCH
2026

Board Chair
Bill Davis

Executive Director/Secretary
Daniel Nackerman

Approved as to form by:

Gilmore Bell, P.C.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Daniel Nackerman
Department: Executive



**Item: Approval of Resolution No. 895-2026:
Committing Project-based Vouchers for the Community
Development Corporation of Utah Housing Project**

Date: 03/30/2026



Housing Authority
of
Salt Lake City

BACKGROUND

The Community Development Corporation of Utah (CDCU) is requesting a commitment for nine (9) Project-Based Vouchers (PBVs) for at least fifteen (15) years. These vouchers will be specifically reserved for individuals who have experienced homelessness.

To help qualify for a key source of development funding through the 9% Low-Income Housing Tax Credits (LIHTC), CDCU needs a formal commitment of these PBVs to demonstrate that the proposed project is financially feasible.

ANALYSIS

The Housing Authority of Salt Lake City (HASLC) can convert a portion of its PBVs, which supply a subsidy for a designated unit rather than for an individual voucher holder. As a Moving to Work (MTW) agency, HASLC has extra flexibility to allocate up to 50% of its basic vouchers for PBV placements.

This proposed action aligns with the following goals:

- Launching a project with a trusted partner (CDCU).
- Providing steady, successful solutions for challenging populations to house, specifically those experiencing homelessness in the Salt Lake City area.
- Strengthening the financing application with the Utah Housing Corporation for the 9% Tax Credit competition.
- Increasing the total amount that can be borrowed for the project by stabilizing rental income over 15+ years.

FINANCIAL ANALYSIS

The allocation of these 9 PBVs will be contingent upon CDCU winning the 2026 9% Tax Credit award. This competitive process satisfies the requirements of 24 CFR 983.51 regarding the selection of PBV owner proposals.

HASLC currently has the capacity to reserve these vouchers, and there is no direct negative impact on existing budgets. Because the administration of LIHTC PBVs can be more burdensome than that of standard vouchers, CDCU may be asked to pay a reasonable administrative fee.

RECOMMENDATION

Approve Resolution #895-2026 approving the initial award for nine (9) Project Based Vouchers (PBVs), subject to certain HUD requirements, to the Community Development Corporation project.

RESOLUTION 89_-2026

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY (HASLC) DESIGNATING PROJECT-BASED VOUCHERS TO THE EMERIL AVE APARTMENTS PROJECT

WHEREAS, the US Department of Housing and Urban Development (HUD) allows Housing Authorities to designate Housing Choice Vouchers as Project-based Vouchers for rent subsidy attached to properties; and

WHEREAS, HASLC has both the budget capacity and the unit count capacity to approve nine (9) Project-based Vouchers; and

WHEREAS, HASLC has decided in the best interest of its mission and goals to designate those vouchers to assist in housing the unhoused and persons within the Community Development Corporation of Utah; and

WHEREAS, those Vouchers are presently designated as 'Tenant-based'; and

WHEREAS, HASLC intends to re-designate the vouchers as "Project-based", subject to all conditions being met to do so.

NOW, THEREFORE, be it resolved that 9 Project-based Vouchers are assigned to the Community Development Corporation of Utah, Emeril Ave Apartments project.

SUBJECT to any conditions of the US Department of Housing and Urban Development (HUD) and Utah Housing Corporation (UHC).

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY THIS 30th DAY OF MARCH.

Board Chair: _____
William Davis

Executive Director/Secretary: _____
Daniel Nackerman

Approved as to form:

Gilmore Bell, P.C.

Housing Authority of Salt Lake City (HASLC)

Staff Report

Report Provided by: CFO, Jennifer Nakao
Department: Finance



Housing Authority
of
Salt Lake City

Item: Fiscal Year 2026 Financial Statements through February

March 30, 2026

BACKGROUND AND METRICS:

This report covers 16 properties (898 units) under Housing Authority Salt Lake City (“HASLC”), the HASLC Management Fund, and the Voucher (Section 8) program.

The “Consolidated” financial report for HASLC properties and programs (excluding HAME or HDC, which are shown separately) reflects the full scope of properties and programs under HASLC and demonstrates a strong financial position through February 2026. The report shows **net residual receipts (income) of \$433,131**, driven by year-to-date revenues of **\$9,355,859** and expenses totaling **\$8,922,729**.

HASLC’s “Owned” properties realized a **net residual income of \$445,379** through February, exceeding budgeted expectations by **\$89,304**. Both dwelling rents and other operating income (parking and other services) continue to be above budget as the 3rd party management companies continue to focus their efforts on these areas.

The “Voucher” programs, primarily Section 8, produced a net **residual income of \$92,895** from administrative fee income and related expenses, surpassing the budgeted net income by **\$34,678**. Housing Assistance Payments (HAP) to landlords through February resulted in a payable of \$36,567.

Our “Public Housing” properties are currently facing a **net deficit of (\$110,187)**, which is **\$40,924** higher than the year-to-date projected deficit. To address this, the agency has utilized existing program reserves, which are expected to be exhausted this year. The deficit is primarily due to lower than anticipated rental income from these properties.

Our Housing Authority “Homeless” properties had a **net residual income of \$29,963**, which is **\$6,422** above the budgeted surplus. This slight variance is partly due to lower dwelling income due to lower rents at Valor House, Transitional Housing, and Cedar Crest. These are offset by lower-than-expected admin payroll and contract expenses that are expected to fluctuate during the year.

The HASLC “Management Fund” currently shows a **deficit of (\$24,919)**, which is **\$6,307** better than budgeted. Administrative expenses are higher than anticipated due to legal fees associated with the development properties and Oquirrh rent allocations that will be reviewed during the next budget revision. Maintenance payroll and materials were higher than expected due to additional time spent by the turn team on the Library Apartments with excessive damage in two units as well as new community laundry machines.

Note that the attached financial statements through February show the comparison to the 2026 budget approved by the Board in October 2025.

ANALYSIS:

A summary of operating revenues and expenses (budget vs. actual) through February are shown above, and the FY26 financials are detailed in the subsequent pages.

As an entire HASLC agency, with HAME and HDC, our overall income and expenses generally remain on track – with a consolidated net residual of **\$616,093** through February 2026.

STATEMENT:

Surplus to Date: **\$616,093**

Budgeted Surplus: \$653,165

Variance to Budget: **\$37,073**

Operating costs exclude depreciation, amortization, and capital expenses.

RECOMMENDATION:

Review and accept report. No action required.

Agency Wide
Budget Comparison
 Period = Jan 2026-Feb 2026
 Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000	39,718.10	91,333.16	(51,615.06)	-56.51%	547,999.00
3399-9999	3,134,455.84	3,055,896.00	78,559.84	2.57%	18,669,566.00
3699-9999	383,328.43	475,652.20	(92,323.77)	-19.41%	2,853,913.00
3899-9999	7,669,359.89	7,603,878.86	65,481.03	0.86%	45,623,273.00
3999-9999	11,226,862.26	11,226,760.22	102.04	0.00%	67,694,751.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	1,329,081.21	1,481,737.86	152,656.65	10.30%	8,890,427.00
4299-9999	681,632.32	618,938.98	(62,693.34)	-10.13%	3,400,290.98
4339-9999	290,946.31	329,835.60	38,889.29	11.79%	1,979,014.00
4419-9998	248,521.48	224,392.46	(24,129.02)	-10.75%	1,346,355.00
4429-9998	66,066.78	67,025.14	958.36	1.43%	402,151.00
4440-9999	246,503.90	320,277.06	73,773.16	23.03%	1,921,661.00
4579-9999	255,327.78	244,494.64	(10,833.14)	-4.43%	1,466,968.00
4589-9999	271,616.39	267,371.20	(4,245.19)	-1.59%	1,604,227.00
4599-9998	37,253.82	40,600.84	3,347.02	8.24%	243,605.00
4610-9999	148,253.32	69,701.58	(78,551.74)	-112.70%	418,209.00
4629-9999	36,796.61	-	(36,796.61)	-100.00%	-
4799-9999	6,994,668.95	6,906,719.36	(87,949.59)	-1.27%	41,440,316.00
4969-9999	4,100.52	2,500.00	(1,600.52)	-64.02%	15,000.00
7999-9999	10,610,769.39	10,573,594.72	(37,174.67)	-0.35%	63,128,223.98
TOTAL EXPENSES					
8999-9999	616,092.87	653,165.50	(37,072.63)	-5.68%	4,566,527.02
NET PROFIT/LOSS					

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

1. The budget includes sublease rental income expected at the Oquirrh building. The 1st floor tenant had free rent in January 2026 with payments resuming in February 2026. The budget will be reviewed and updated for the new tenants recently secured during the next budget revision.
2. Other operating income primarily includes interest earned, management fees, and developer fees. The lower income this period is primarily due the delayed closing of Erma's @ Fairmont project. Developer fees are earned at various benchmarks beginning with the funding close (expected by the end of Q2 2026). Additionally, interest income has decreased from the budget due to large transfers out of PTIF to temporarily cover expenses related to development projects at the end of 2025. The funds have been returned and are expected to generate interest income.
3. Administrative expenses are primarily over budget due to legal fees (\$2.1k) associated with JSA I/II, Capitol Homes, and State Fund and Oquirrh rent CAM charges (\$43k). Legal fees will fluctuate from month to month. The Oquirrh building rent will also be reviewed during the next budget revision for CAM charges and new sub-leases.
4. Since contract costs fluctuate during the year, the budget is prorated. This period, ordinary maintenance contract costs are primarily under budget due to lower meth remediation, exterminations, landscape, HVAC, etc. This is expected to normalize over the year.
5. Extraordinary expenses fluctuate during the year, so the budget is prorated. Extraordinary expenses not previously budgeted include fence, balcony repairs and smoke detector upgrades at Canterbury and gutter and roof repairs at Redwood Road. These will be evaluated for budget revisions. The remaining variances are due to timing of the work versus the prorated budget. See HAME and HASLC combined for additional details.
6. Casualty losses include the final payment for water and mold mitigation on two units at JSA II. An insurance claim has been submitted and reimbursement is anticipated.

All HASLC Combined (Management Fund, Homeless, Owned, Voucher, Public Housing)

Budget Comparison

Period = Jan 2026-Feb 2026

Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000	31,914.94	43,674.34	(11,759.40)	-26.93%	262,046.00
LEASE RENTAL & NONDWELLING RENTS					
3399-9999	1,619,870.01	1,495,273.18	124,596.83	8.33%	8,971,639.00
OPERATING INCOME					
3699-9999	210,780.97	191,377.36	19,403.61	10.14%	1,148,264.00
OPERATING INCOME OTHER					
3899-9999	7,493,293.37	7,494,805.36	(1,511.99)	-0.02%	44,968,832.00
GRANT/SUBSIDY INCOME					
3999-9999	9,355,859.29	9,225,130.24	130,729.05	1.42%	55,350,781.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	785,058.60	913,462.36	128,403.76	14.06%	5,480,774.00
ADMIN PAYROLL					
4299-9999	402,523.01	352,817.92	(49,705.09)	-14.09%	1,924,611.00
ADMINISTRATIVE EXPENSE					
4339-9999	149,490.00	165,831.96	16,341.96	9.85%	994,992.00
UTILITIES					
4419-9998	149,198.44	124,237.48	(24,960.96)	-20.09%	745,425.00
MAINT/OPER PAYROLL					
4429-9998	39,166.55	38,812.30	(354.25)	-0.91%	232,874.00
MATERIALS-ORD MAINT					
4440-9999	124,087.90	163,640.82	39,552.92	24.17%	981,844.00
CONTRACT COSTS-ORD MAINT					
4579-9999	161,438.76	156,820.82	(4,617.94)	-2.94%	940,925.00
OTHER GENERAL EXPENSE					
4589-9999	96,273.84	95,876.86	(396.98)	-0.41%	575,261.00
INTEREST EXPENSE					
4599-9998	16,237.61	14,352.18	(1,885.43)	-13.14%	86,113.00
OTHER GENERAL, PROP TAX					
4610-9999	67,944.83	40,283.36	(27,661.47)	-68.67%	241,700.00
EXORD EXPENSES					
4799-9999	6,931,309.00	6,822,217.52	(109,091.48)	-1.60%	40,933,305.00
HOUSING ASSIST PMTS					
7999-9999	8,922,728.54	8,888,353.58	(34,374.96)	-0.39%	53,137,824.00
TOTAL EXPENSES					
8999-9999	433,130.75	336,776.66	96,354.09	28.61%	2,212,957.00
NET PROFIT/LOSS					

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

1. The maintenance payroll overage relates to the Library property (\$13k). The increase over the budget is due to the maintenance team being redirected to turn two of the three Library units that had excessive damage at move-out. There was additional time spent by the turn team including overtime at public housing properties during the HUD inspections.
2. Since contract costs fluctuate during the year, the budget is prorated. This period, ordinary maintenance contract costs are primarily under budget due to less activity for Taylor Gardens and Taylor Springs. This is expected to normalize over the year.
3. Extraordinary expenses fluctuate during the year, so the budget is prorated. This period, extraordinary unbudgeted items include balcony repairs and smoke detector upgrades at Cambridge Cove and a fence repair for \$4,750. These will be evaluated for a budget revision.

HASLC Owned Properties for Qtr Rpts (haslicown)
 Taylor Springs, Taylor Gardens, 9th East, Rendon, Canterbury, Cambridge Cove, Jefferson Circle, & Red House

Budget Comparison

Period = Jan 2026-Feb 2026

Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000	9,738.87	10,082.66	(343.79)	-3%	60,496.00
LEASE RENTAL & NONDWELLING RENTS					
3399-9999	1,090,885.77	1,013,726.00	77,159.77	8%	6,082,356.00
OPERATING INCOME					
3699-9999	55,663.74	47,972.52	7,691.22	16%	287,835.00
OPERATING INCOME OTHER					
3899-9999	3,856.66	8,677.34	(4,820.68)	-56%	52,064.00
GRANT/SUBSIDY INCOME					
3999-9999	1,160,145.04	1,080,458.52	79,686.52	7%	6,482,751.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	106,287.00	121,610.02	15,323.02	13%	729,660.00
ADMIN PAYROLL					
4299-9999	142,857.00	134,262.04	(8,594.96)	-6%	654,971.00
ADMINISTRATIVE EXPENSE					
4339-9999	79,187.95	93,026.16	13,838.21	15%	558,157.00
UTILITIES					
4419-9998	67,563.20	64,187.34	(3,375.86)	-5%	385,124.00
MAINT/OPER PAYROLL					
4429-9998	22,627.75	25,129.00	2,501.25	10%	150,774.00
MATERIALS-ORD MAINT					
4440-9999	63,603.99	86,494.02	22,890.03	26%	518,964.00
CONTRACT COSTS-ORD MAINT					
4579-9999	71,317.87	58,584.16	(12,733.71)	-22%	351,505.00
OTHER GENERAL EXPENSE					
4589-9999	96,273.84	95,876.86	(396.98)	0%	575,261.00
INTEREST EXPENSE					
4599-9998	9,021.60	8,797.16	(224.44)	-3%	52,783.00
OTHER GENERAL, PROP TAX					
4610-9999	56,026.28	36,416.70	(19,609.58)	-54%	218,500.00
EXORD EXPENSES					
7999-9999	714,766.48	724,383.46	9,616.98	1%	4,195,699.00
TOTAL EXPENSES					
8999-9999	445,378.56	356,075.06	89,303.50	25%	2,287,052.00
NET PROFIT/LOSS					

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

1. Since contract costs fluctuate during the year, the budget is prorated. This period, ordinary maintenance contract costs are primarily under budget due to less activity for Taylor Gardens and Taylor Springs. This is expected to normalize over the year.

Voucher Properties for Qtr Rpts (voucher)

Budget Comparison

Period = Jan 2026 - Feb 2026

Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000		1,976.84	(1,976.84)	-100%	11,861.00
LEASE RENTAL & NONDWELLING RENTS					
3399-9999	5,238.25	515.00	4,723.25	917%	3,090.00
OPERATING INCOME					
3699-9999	2,308.75	3,442.34	(1,133.59)	-33%	20,654.00
OPERATING INCOME OTHER					
3899-9999	579,595.27	593,140.82	(13,545.55)	-2%	3,558,845.00
GRANT/SUBSIDY INCOME					
3999-9999	587,142.27	599,075.00	(11,932.73)	-2%	3,594,450.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	324,219.02	377,508.00	53,288.98	14%	2,265,048.00
ADMIN PAYROLL					
4299-9999	116,153.60	102,245.32	(13,908.28)	-14%	581,322.00
ADMINISTRATIVE EXPENSE					
4440-9999	2,417.32	1,359.68	(1,057.64)	-78%	8,158.00
CONTRACT COSTS-ORD MAINT					
4579-9999	35,722.02	42,395.68	6,673.66	16%	254,374.00
OTHER GENERAL EXPENSE					
4599-9998	4,877.05	3,528.50	(1,348.55)	-38%	21,171.00
OTHER GENERAL, PROP TAX					
4799-9999	10,858.00	13,888.02	3,030.02	22%	83,328.00
HOUSING ASSIST PMTS					
7999-9999	494,247.01	540,925.20	46,678.19	9%	3,213,401.00
TOTAL EXPENSES					
8999-9999	92,895.26	58,149.80	34,745.46	60%	381,049.00
NET PROFIT/LOSS					
3802-6000	6,957,018.00	6,808,329.50	148,688.50	2%	40,849,977.00
GRANT/SUBSIDY INCOME (voucher)					
4799-9999	6,920,451.00	6,808,329.50	112,121.50	2%	40,849,977.00
HOUSING ASSIST PMTS (voucher)					
	36,567.00	-	36,567.00	-	-
Current Amount Overfunded					

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

1. Admin payroll includes future hires and potential merit and COLA increases during the year. We expect this account to adjust over the year and align with the budget.

Public Housing (.fs400)
Romney and Phillips Plaza

Budget Comparison

Period = Jan 2026-Feb 2026
Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000		5,039.34	(5,039.34)	-100%	30,236.00
LEASE RENTAL & NONDWELLING RENTS					
3399-9999	112,669.00	142,358.68	(29,689.68)	-21%	854,152.00
OPERATING INCOME					
3699-9999	15,347.59	15,328.34	19.25	0%	91,970.00
OPERATING INCOME OTHER					
3899-9999	73,062.00	70,500.00	2,562.00	4%	423,000.00
GRANT/SUBSIDY INCOME					
3999-9999	201,078.59	233,226.36	(32,147.77)	-14%	1,399,358.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	115,379.53	137,156.34	21,776.81	16%	822,938.00
ADMIN PAYROLL					
4299-9999	34,394.75	22,858.66	(11,536.09)	-50%	137,152.00
ADMINISTRATIVE EXPENSE					
4339-9999	45,001.89	46,030.84	1,028.95	2%	276,185.00
UTILITIES					
4419-9998	44,547.34	30,816.66	(13,730.68)	-45%	184,900.00
MAINT/OPER PAYROLL					
4429-9998	5,092.68	5,199.98	107.30	2%	31,200.00
MATERIALS-ORD MAINT					
4440-9999	41,953.25	33,159.52	(8,793.73)	-27%	198,957.00
CONTRACT COSTS-ORD MAINT					
4579-9999	23,576.65	26,182.30	2,605.65	10%	157,094.00
OTHER GENERAL EXPENSE					
4599-9998	1,319.74	1,085.00	(234.74)	-22%	6,510.00
OTHER GENERAL, PROP TAX					
4610-9999	-	-	-	0%	-
EXORD EXPENSES					
7999-9999	311,265.83	302,489.30	(8,776.53)	-3%	1,814,936.00
TOTAL EXPENSES					
8999-9999	(110,187.24)	(69,262.94)	(40,924.30)	59%	(415,578.00)
NET PROFIT/LOSS					

Explanations for variances of \$20,000 and 1.5% and anything deemed unusual.

1. Dwelling rents are below the budget but are consistent with the 12-month history. Occupancy is a little lower than expected during the period, we will review budget assumptions during the next budget revision for any adjustments.
2. Admin payroll includes future hires and potential merit and COLA increases during the year. We expect this account to adjust over the year and align with the budget.

HASLC Homeless Properties (haslhome)
 Cedar Crest, Transitional, Valor Apartments, Freedom Landing & Valor House
Budget Comparison

Period = Jan 2026-Feb 2026
 Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000	22,176.04	23,395.00	(1,218.96)	-5%	140,370.00
LEASE RENTAL & NONDWELLING RENTS					
3399-9999	318,346.99	330,504.84	(12,157.85)	-4%	1,983,029.00
OPERATING INCOME					
3699-9999	839.24	7,527.48	(6,688.24)	-89%	45,165.00
OPERATING INCOME OTHER					
3899-9999	6,292.44	14,157.70	(7,865.26)	-56%	84,946.00
GRANT/SUBSIDY INCOME					
3999-9999	347,654.71	375,585.02	(27,930.31)	-7%	2,253,510.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	148,279.45	174,714.98	26,435.53	15%	1,048,290.00
ADMIN PAYROLL					
4299-9999	48,279.41	39,367.38	(8,912.03)	-23%	229,659.00
ADMINISTRATIVE EXPENSE					
4339-9999	25,300.16	26,469.12	1,168.96	4%	158,815.00
UTILITIES					
4419-9998	28,408.88	28,622.32	213.44	1%	171,734.00
MAINT/OPER PAYROLL					
4429-9998	9,661.14	8,366.66	(1,294.48)	-15%	50,200.00
MATERIALS-ORD MAINT					
4440-9999	15,888.93	41,646.78	25,757.85	62%	249,880.00
CONTRACT COSTS-ORD MAINT					
4579-9999	28,996.64	28,195.68	(800.96)	-3%	169,171.00
OTHER GENERAL EXPENSE					
4599-9998	958.45	794.68	(163.77)	-21%	4,768.00
OTHER GENERAL, PROP TAX					
4610-9999	11,918.55	3,866.66	(8,051.89)	-208%	23,200.00
EXORD EXPENSES					
7999-9999	317,691.61	352,044.26	34,352.65	10%	2,105,717.00
TOTAL EXPENSES					
8999-9999	29,963.10	23,540.76	6,422.34	27%	147,793.00
NET PROFIT/LOSS					

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

- Admin payroll includes future hires and potential merit and COLA increases during the year. We expect this account to adjust over the year and align with the budget.
- Since contract costs fluctuate during the year, the budget is prorated. Many contract costs have not been incurred for 2026 (extinction, landscaping, unit turns, and meth remediation). This is expected to normalize over the year.

HASLC Management Fund
Budget Comparison

Period = Jan 2026-Feb 2026

Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000					
INCOME					
3190-0000		3,180.50	(3,180.50)	100%	19,083.00
LEASE RENTAL & NONDWELLING RENTS					
3399-9999	2,766.00	8,168.66	(5,402.66)	-66%	49,012.00
OPERATING INCOME					
3699-9999	136,621.69	117,106.68	19,515.01	17%	702,640.00
OPERATING INCOME OTHER					
3999-9999	139,387.69	128,455.84	10,931.85	9%	770,735.00
TOTAL INCOME					
4000-0000					
EXPENSE					
4112-9999	90,893.60	102,473.02	11,579.42	11%	614,838.00
ADMIN PAYROLL					
4299-9999	60,838.25	53,584.52	(7,253.73)	-14%	321,507.00
ADMINISTRATIVE EXPENSE					
4339-9999	-	305.84	305.84	100%	1,835.00
UTILITIES					
4419-9998	8,679.02	611.16	(8,067.86)	-1320%	3,667.00
MAINT/OPER PAYROLL					
4429-9998	1,784.98	116.66	(1,668.32)	-1430%	700.00
MATERIALS-ORD MAINT					
4440-9999	224.41	980.82	756.41	77%	5,885.00
CONTRACT COSTS-ORD MAINT					
4579-9999	1,825.58	1,463.00	(362.58)	-25%	8,778.00
OTHER GENERAL EXPENSE					
4599-9998	60.77	146.84	86.07	59%	881.00
OTHER GENERAL, PROP TAX					
7999-9999	164,306.61	159,681.86	(4,624.75)	-3%	958,091.00
TOTAL EXPENSES					
8999-9999	(24,918.92)	(31,226.02)	6,307.10	-20%	(187,356.00)
NET PROFIT/LOSS					

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

1. Other operating income is higher than budget primarily due to Antenna rent that was not expected to be renewed after the initial budgets were prepared. We will update during the next budget revision to incorporate the new agreements.
2. The maintenance payroll relates to the Library property. The increase over the budget is due to the maintenance team being redirected to turn two of the three Library units that had excessive damage at move-out. These additional expenses are not expected to recur.
3. The ordinary maintenance materials include appliances. The increase over the budget is due to new common area laundry machines ordered for the Library site. These expenses are not expected to recur.

Housing Authority of Salt Lake City Staff Report

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



Housing Authority
of
Salt Lake City

Item: Account Reconciliation (Debt Write-Offs) Through November 2025

March 30, 2026

BACKGROUND:

The Housing Authority of Salt Lake City (HASLC) conducted a comprehensive reconciliation of uncollected receivables (“bad debt”) for all past due accounts through November 30, 2025. These balances typically arise when a tenant or participant exits a HASLC program with an outstanding obligation, which may include unit damage, unpaid rent, legal costs, or unreported income. Landlord overpayment receivables may also result from housing assistance payment overages to landlords, most commonly due to delayed notification of tenant move-outs, skips, or deaths.

When landlord overpayments occur, HASLC prioritizes recovery through established offset (“take-back”) procedures, applying credits against current housing assistance payments when the landlord has other active program participants. When this is not feasible, the account is referred to Finance to initiate standard collection protocols.

During this reporting period, \$41,720 of previously written off landlord overpayment debts were successfully recovered through internal efforts, primarily utilizing offset (“take-back”) procedures. Staff have strengthened internal recovery practices and improved response time to landlord related debts. The remaining amounts have been processed in accordance with HASLC’s collections policy, including ongoing internal collection efforts and referral to external collection agencies as appropriate.

ANALYSIS:

This bad debt write-off includes unpaid tenant and landlord charges owed to the Housing Authority for the period through November 2025. Staff typically request approval of write-offs in February, May, August, and November each year. An “Allowance for Bad Debt” is estimated annually and budgeted accordingly.

Included in the rent write-off are 11 total tenants and 7 from the Homeless properties who make up 79% of the balance. They were evicted, skipped, or passed away. The maintenance write-offs were generally the same tenants. There were 10 tenants where the landlord was overpaid for one or more months. This is consistent with prior write-offs in the second half of 2025 and has improved over prior years.

The charges related to the write-off are categorized below:

Rent	\$ 22,148.96
Maintenance	5,260.00
Legal	1,495.00
Voucher Programs (Section 8)	0.00
Other	60.00
Methamphetamine	0.00
Landlord Overpayments	34,438.00
Total	\$ 63,401.96

FINANCIAL IMPLICATIONS:

Staff are recommending a write-off amount of \$63,401.96. HASLC's procedure is to write off uncollected balances over 90 days. Note that we continue to take action to collect these balances due regardless of the write-offs.

RECOMMENDATION:

A motion to approve the bad debt write-off amount of \$63,401.96 under the provision that collection attempts will continue internally and through NAR, our external debt recovery agency.



**FY 2026 Q1
BAD DEBT RECONCILIATION REPORT**

Program / Property Number	Rent	Maintenance	Legal	Meth	Other	Stop Payment	S8 Payback	Land Lord Over Payment	URP Overpayment	AU/fraud	Total FY25 Q4
NON-PROFIT											
Project HAME 250-256	303.07	150.00	680.00	-	20.86	-	-	-	-	-	1,163.93
Project HAME 250-257	-	-	-	-	-	-	-	-	-	-	-
Project HAME 250-330 North	-	-	-	-	-	-	-	-	-	-	-
Project HAME 250-420 Pacific Ave/Heights	-	-	-	-	-	-	-	-	-	-	-
Project HAME 250-640	1,000.00	-	-	-	35.00	-	-	-	-	-	1,035.00
Project HAME 250-771 South	-	-	-	-	-	-	-	-	-	-	-
Project 276-9th East Lofts	-	-	-	-	-	-	-	-	-	-	-
Project 450-rad Rendon Terrace	-	3,850.00	-	-	-	-	-	-	-	-	3,850.00
Project 600-601 -Riverside	-	-	-	-	-	-	-	-	-	-	-
Project 608 -Ben Albert	-	-	-	-	-	-	-	-	-	-	-
Project 609 -Cantebury	-	-	-	-	-	-	-	-	-	-	-
Non-Profit Total	1,303.07	4,000.00	680.00	-	55.86	-	-	-	-	-	6,038.93
PUBLIC HOUSING											
406-Phillips Plaza	-	-	-	-	-	-	-	-	-	-	-
415-Romney Plaza	1,293.00	540.00	-	-	-	-	-	-	-	-	1,833.00
Public Housing Total	1,293.00	540.00	-	-	-	-	-	-	-	-	1,833.00
HOMELESS /VETERAN PROGRAM											
251 Cedar Crest	1,668.80	300.00	580.00	-	15.00	-	-	-	-	-	2,563.80
260 Sunrise Metro	226.33	300.00	590.66	4,675.00	-	-	-	-	-	-	5,791.99
265 Pamela's Place	1,819.50	-	-	-	-	-	-	-	-	-	1,819.50
550-555 Duplex West Temple	-	-	-	-	-	-	-	-	-	-	-
556-553 Valor Apts	5,406.53	-	915.00	-	45.00	-	-	-	-	-	6,366.53
557 Freedom Landing	13,780.63	570.00	-	-	-	-	-	-	-	-	14,350.63
Homeless / Veteran Total	22,901.79	1,170.00	2,095.66	4,675.00	60.00	-	-	-	-	-	30,892.45
SECTION 8											
Grants	-	-	-	-	-	-	-	-	-	-	-
830 MOD Rehab	-	-	-	-	-	-	-	-	-	-	-
860 Section 8	-	-	-	-	-	-	-	34,438.00	-	-	-
S8 Total	-	-	-	-	-	-	-	34,438.00	-	-	34,438.00
Land Lord Over Payments											
Land Lord Over Payments total											
Grand Totals	25,497.86	5,710.00	2,765.66	4,675.00	115.86	-	-	34,438.00	-	-	73,202.38

	TOTAL	HAME	HASLC	HDC
RENT	25,497.86	3,348.90	22,148.96	-
MAINTENANCE	5,710.00	450.00	5,260.00	-
LEGAL	2,765.66	1,270.66	1,495.00	-
SECTION 8	34,438.00	-	34,438.00	-
OTHER	115.86	55.86	60.00	-
METH	4,675.00	4,675.00	-	-
LANDLORD	-	-	-	-
TOTAL \$	73,202.38	9,800.42	63,401.96	-
			Cross>>	\$ 73,202.38

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Britnee Dabb and Paul Edwards

Department: Executive



Item: Approval of Contract with Bronner Group, Inc. for Strategic Planning Consultant Services

March 30, 2026



Housing Authority
of
Salt Lake City

BACKGROUND:

HASLC issued RFP #25-003 in 2025 to procure a strategic planning consultant with experience in public housing authorities, multifamily housing, and affordable housing programs to assist the agency in consolidating business area plans, gaining valuable input from many, and publishing/implementing its long-term strategic plan. The selected consultant will work with HASLC's Board of Commissioners, Executive Director, Executive Staff, and many others to help define HASLC's vision, mission, and business strategy for the next five years, with a focus on agency growth, business systems and aspirational "people" systems.

Bronner Group, LLC was selected through that RFP process to facilitate and support this effort. Under the proposed contract, Bronner Group will engage internal and external stakeholders, incorporate strategic planning work HASLC has already developed, provide a complete strategic plan document, provide presentations to HASLC leadership and staff, and make practical implementation recommendations. The work is expected to begin within 30 days of contract award and conclude within approximately five months.

PROCESS:

HASLC publicly issued a Request for Proposals for Strategic Planning Consultant Services (RFP #25-003) through the Utah Public Procurement Place (U3P) and the HASLC website - and directly solicited to approximately forty (40) local and national firms. HASLC received fourteen (14) proposals.

A four-person Selection Committee, consisting of two Board members, one HASLC employee, and one outside professional, individually reviewed and scored the proposals using the criteria set forth in the RFP. The Committee then met to discuss the relative strengths and weaknesses of the proposals and to finalize its recommendation.

ANALYSIS:

The proposals received reflected a strong and competitive field of qualified firms who presented a wide variety of solutions at a wide variety of costs. After reviewing the submissions and the Selection Committee's scoring and recommendation, staff determined that Bronner Group, LLC submitted the proposal best suited to HASLC's needs. Bronner Group demonstrated relevant experience, a sound approach to the strategic planning process, and pricing that is competitive and reasonable considering the scope of services.

As described in the proposal, Bronner's approach contextualizes planning in objective assessment, builds consensus around priorities, and creates a framework for producing measurable results. Bronner professionals adapt their strategic planning framework to meet the needs, time, budget, and organizational culture of us.

Headquartered in Chicago, Bronner was founded by the firm's President and Chief Executive Officer, Gila J. Bronner, in 1987. Ms. Bronner, a certified public accountant (CPA), had built a widely respected reputation for expertise in the area of governmental management and accounting.

Engagements to provide accounting and financial management support to public agencies provided the foundation for expansion into more than a dozen U.S. States and over 500 different jurisdictions providing a wide variety of strategic and business services. Today, the firm has eleven offices across the nation and focuses on providing professional services in three key areas: **strategy, transformation, and accountability.**

Bronner as consulted with 48 Housing Authorities and has also provided services to hundreds of agencies such as the federal government, state and local governments, special service agencies, schools, transportation entities and human service agencies.

SCOPE:

See Attachment A which describes scope and schedule in the areas of research, strategy, transformation, accountability. The dynamic plan will at many levels of implementation with assistance from Bronner throughout implementation.

FINANCIAL IMPACT:

The proposed contract amount is a maximum of \$146,875. Funding for this contract will be paid from HASLC operating funds. Approval of the contract will have a fiscal impact in that amount.

RECOMMENDATION:

Authorize the Executive Director to execute a contract with Bronner Group, LLC for Strategic Planning Consultant Services in an amount not to exceed \$146,875.

AGREEMENT FOR Strategic Planning Consultant
Bronner Group, LLC

This agreement (“Agreement”) is entered into by and between **Housing Authority of Salt Lake City**, a public body corporate and politic located at 1776 South West Temple, Salt Lake City, UT 84115 (hereinafter “HASLC”) and **Bronner Group, LLC**, located at 120 N. LaSalle Street, Suite 1300, Chicago, IL 60602 (hereinafter “Consultant”). The individual parties are referred to collectively as the “Parties” at times within the Agreement.

AGREEMENT

In consideration of the mutual covenants contained herein, the Parties agree as follows:

1. Scope of Services

1.1 **Scope of Services.** Consultant, acting as an independent contractor, shall perform the services described in **Attachment A** (“Scope of Services”), which is incorporated herein by this reference. Consultant shall perform such services in accordance with the schedule, milestones, and deadlines mutually agreed upon by HASLC and Consultant, as may be reasonably adjusted during the strategic planning process upon agreement of the parties. The format, timing, location, agenda, and other logistical details of any retreat contemplated by Attachment A shall be proposed by Consultant and shall be subject to the approval of HASLC Executive Staff.

1.2 **Effective Date.** This Agreement shall become effective on the date it is last signed by the Parties hereto (the “Effective Date”).

1.3 **Cooperation with Executive Staff.** Consultant shall cooperate with HASLC, its Executive Director and his designee(s) in the performance of all work hereunder.

1.4 **Key Personnel; Substitution.** Consultant acknowledges that HASLC has relied upon Consultant’s proposed staffing structure and the identified roles of Engagement Director, Project Manager, and other assigned personnel in entering into this Agreement. Consultant shall assign appropriately qualified personnel to perform the Services consistent with the staffing approach reflected in this Agreement and Attachment A. Consultant shall not replace the Engagement Director or Project Manager or make any material reduction in the level of participation of such personnel, without prior written notice to and written approval from HASLC, in HASLC’s sole discretion. Any substitute personnel shall have qualifications and experience reasonably comparable to or greater than those of the personnel being replaced and shall bill at the same or lower hourly rate as the person replaced, unless HASLC expressly agrees otherwise in writing. Consultant shall remain responsible for any transition, onboarding, or knowledge-transfer costs associated with personnel changes, and such costs shall not be separately billable to HASLC.

1.5 **Delay Caused by HASLC.** Consultant shall promptly notify HASLC in writing of any material delay in performance caused by HASLC’s failure to timely provide information,

approvals, access, scheduling coordination, stakeholder availability, consolidated feedback, or other cooperation reasonably required for Consultant to perform the Services. To the extent Consultant is materially delayed by HASLC, the applicable schedule, milestone dates, and delivery deadlines shall be equitably extended for the period of the actual delay, and Consultant shall not be deemed in default for failing to meet an affected deadline to the extent caused by such delay. This Section shall not entitle Consultant to any increase in the not-to-exceed amount or additional compensation unless expressly approved by written amendment to this Agreement. The remedies set forth in this Section are cumulative and nonexclusive and do not limit any other rights or remedies available under this Agreement or applicable law.

1.6 Performance Standard. Consultant shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Consultant’s profession. HASLC has relied upon the representations, training, and professional ability of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable federal, state, and local laws, it being understood that acceptance of Consultant’s work by HASLC shall not operate as a waiver or release.

2. Compensation and Payment Schedule

2.1 Not to Exceed (“NTE”) Value. The total NTE value of this Agreement is **One Hundred Forty-Six Thousand, Eight Hundred and Seventy-Five Dollars (\$146,875)**. Any future increases would require approval by the Executive Director and HASLC’s Board of Commissioners at a public meeting.

2.2 Payment Schedule. Consultant shall submit monthly invoices, accompanied by a summary of hours worked by personnel, a description of services performed, and any reimbursable expenses incurred for services provided according to the Rate Schedule set forth in Table 1 below. HASLC shall review, approve, and pay, or contact Consultant to dispute, if applicable, all invoices within thirty (30) days of receipt.

TABLE 1 - RATE SCHEDULE

POSITION	RATE
President/CEO*	\$500 Per hour
Engagement Director	\$350 per hour
Project Manager	\$250 per hour
Sr. Consultant	\$200 per hour
Consultant	\$175 per hour

*Consultant’s President/CEO will provide oversight, advice, and quality assurance, but is not expected to materially participate in planning process, as described in Attachment A under Pricing Structure.

2.3 Estimated Hours and Pricing Structure. The parties acknowledge and agree that Consultant’s services and the hours billed are expected to be generally consistent with the activity, staffing, and budget estimates set forth in Attachment A under Pricing Structure. Those estimates, including estimated hours, personnel allocations, and travel amounts, are provided

for planning purposes only and shall not be treated as fixed requirements, so long as the total compensation under this Agreement does not exceed the not-to-exceed amount. Consultant may shift or reallocate hours, staff resources, and travel budget among activities as reasonably necessary to maintain flexibility and to effectively meet or exceed the project goals, provided that Consultant remains within the overall scope of services and total contract amount.

2.4 Expenses/Travel. Consultant's reimbursable travel and other reasonable, necessary out-of-pocket expenses incurred in performing the Services are included within, and shall not increase, the not-to-exceed amount of this Agreement. The parties acknowledge that Table 2 includes an estimated travel budget of Seven Thousand Five Hundred Dollars (\$7,500), which is an estimate only and not a separate guaranteed amount. Consultant may reallocate budget among labor, travel, and other reimbursable expenses as reasonably necessary to perform the Services, provided that the total compensation and reimbursements paid under this Agreement do not exceed the not-to-exceed amount. All reimbursable expenses must be actual, reasonable, and necessary, must be itemized and submitted with the applicable monthly invoice, and must be supported by receipts or other appropriate documentation. Reimbursement shall be made in accordance with HASLC's applicable travel and expense reimbursement policies and shall not exceed applicable IRS per diem or mileage rates where applicable. Any individual trip requiring airfare, overnight lodging, or other significant travel expense not contemplated by Attachment A, and any travel expenses exceeding the estimated travel budget, must receive HASLC's prior written approval. Notwithstanding the foregoing, HASLC shall be responsible for rental fees, food, signage, and other venue, meeting, or event costs associated with facilitating retreats and resident meetings, and such costs are not reimbursable to Consultant under this Agreement unless HASLC expressly authorizes otherwise in writing in advance.

2.5 Payment Withholding. If Consultant fails to perform the Services in a timely manner, fails to perform in accordance with this Agreement, including without limitation Attachment A, Section 1.6, or Section 8.12, or fails to provide Services or Deliverables that materially conform to the requirements of this Agreement, HASLC may withhold payment for the affected Services or Deliverables until the nonconformity is cured, as permitted by this Agreement. HASLC's withholding of payment under this Section shall not limit any other rights or remedies available under this Agreement or applicable law.

2.6 Final Payment Holdback. Notwithstanding anything to the contrary in this Agreement, HASLC may withhold up to ten percent (10%) from each progress payment otherwise due under this Agreement until the cumulative holdback reaches Fifteen Thousand Dollars (\$15,000). The holdback amount shall be payable only after: (a) Consultant has completed all Services required under this Agreement; (b) HASLC has accepted the final deliverables in accordance with this Agreement, including the final five-year strategic planning document, the one-page summary of the strategic plan, the goal tracker or similar implementation-tracking tool, and the required training/orientation and final presentation items described in Attachment A; (c) Consultant has delivered all final electronic and editable versions of the deliverables and any other required closeout materials; and (d) Consultant has submitted its final invoice. HASLC shall review and, if appropriate, pay the final invoice and

release the holdback in accordance with the payment provisions of this Agreement after satisfaction of the foregoing requirements. Nothing in this Section limits HASLC's rights to dispute charges, withhold payment, offset damages, or exercise any other remedy available under this Agreement or applicable law.

3. Term of Agreement

The term of this Agreement shall begin on the Effective Date and run for a six-month (6-month) period, unless extended by written amendment or unless terminated earlier in accordance with the provisions of Article 4 below.

4. Performance Review and Termination

4.1 Periodic Performance Review. HASLC shall have the right to review and evaluate Consultant's performance on a periodic basis. If HASLC determines that Consultant has failed to perform the Services in a timely manner, has failed to perform in accordance with this Agreement, including without limitation Attachment A, Section 1.6, or Section 8.12, or has failed to provide Services or Deliverables that materially conform to the requirements of this Agreement, HASLC, in its sole discretion, shall have the right to do any one or more of the following: (a) require Consultant to meet with HASLC to review performance issues and proposed corrective action; (b) reject nonconforming Services or Deliverables and require Consultant, at no additional cost to HASLC, to correct, revise, or re-perform the affected Services or Deliverables within a reasonable time specified by HASLC; (c) withhold payment for the affected Services or Deliverables as permitted by this Agreement until the nonconformity is cured; (d) terminate this Agreement pursuant to the provisions of this Section 4; or (e) pursue any and all other rights or remedies available at law, in equity, or under this Agreement. Consultant's correction, revision, or re-performance obligations under this Section shall not limit any other rights or remedies of HASLC, and HASLC's review, acceptance, or payment shall not waive latent defects, nonconformities, or Consultant's obligation to perform in accordance with this Agreement.

4.2 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, each Party shall have the right, in its sole discretion, to terminate this Agreement by giving thirty (30) days written notice to the other Party.

4.3 Termination for Cause. Notwithstanding any other provision of this Agreement, should Consultant fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, HASLC may immediately terminate this Agreement by giving Consultant written notice of such termination, stating the reason for termination.

4.4 Delivery of Work Product and Final Payment Upon Termination. In the event of termination, Consultant, within fourteen business (14) days following the date of termination, shall deliver to HASLC all reports, assessments, memoranda, retreat materials, draft and final strategic plans, presentations, goal tracker files, training materials, and other work product prepared under the Agreement and shall submit to HASLC an invoice showing the services

performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

4.5 Payment Upon Termination. Upon termination of this Agreement by HASLC, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder up to the time of termination. However, if HASLC terminates the Agreement for cause pursuant to Section 4.3, HASLC shall deduct from such amount the amount of damage, if any, sustained by HASLC by virtue of the breach of the Agreement by Consultant.

4.6 Authority to Terminate. The HASLC's Executive Director or his designee(s) have the sole authority to terminate this Agreement on behalf of HASLC.

5. Indemnification

Consultant agrees to accept all responsibility for loss or damage to any person or entity, including HASLC, and to indemnify, hold harmless, and release HASLC, its officers, agents, and employees, from and against any actions, claims, damages, liabilities, disabilities, or expenses, that may be asserted by any person or entity, including Consultant, that arise out of, pertain to, or relate to Consultant's or its agents', employees', consultants', subcontractors', or invitees' representations, performance or obligations under this Agreement. Consultant agrees to provide a complete defense for any claim or action brought against HASLC based upon a claim relating to such Consultant's or its agents', employees', consultants', subcontractors', or invitees' representations, performance or obligations under this Agreement. Consultant's obligations under this section apply whether or not there is concurrent negligence on HASLC's part, but to the extent required by law, excluding liability due to HASLC's conduct. HASLC shall have the right to select its legal counsel at Consultant's expense, subject to Consultant's approval, which shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Consultant or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

6. Insurance

Required Insurance Coverage(s). Consultant shall not commence performance of any work under this Agreement until it has obtained the insurance coverages required below, and Consultant shall maintain such coverages in force throughout the term of this Agreement. Said policies shall not terminate or expire without renewal during the term of this Agreement.

a. Professional Liability / Errors and Omissions Liability. Coverage in an amount not less than \$1,000,000 per claim and \$3,000,000 in the aggregate, covering Consultant's negligent acts, errors, and omissions in the performance of professional services under this Agreement.

b. Workers' Compensation. Coverage in the amounts required by applicable law.

c. Proof of Insurance. Before commencing performance under this Agreement, Consultant shall provide HASLC with certificates of insurance or other reasonable proof of the insurance required by this Section, by email to pedwards@haslcutah.org or by such other method as the Parties may agree in writing. Consultant shall provide HASLC at least thirty (30)

days' prior written notice of any cancellation, nonrenewal, or, to the extent within Consultant's control, material reduction in the required coverage.

d. **Subcontractors' Coverage.** Consultant shall require all subcontractors, if any, used in the performance of this Agreement to obtain and maintain insurance coverages consistent with the requirements set forth above.

e. **Failure to Insure.** Consultant's failure to obtain, maintain, or provide proof of insurance as required by this Agreement or by law shall constitute grounds for immediate termination of this Agreement. In the event of termination under this Section, Consultant shall also be liable for re-procurement costs and any other remedies available at law or under this Agreement.

7. Extra or Changed Work

Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both Parties. Minor changes, which do not increase the amount paid under the Agreement, and which do not significantly change the Scope of Work or significantly lengthen time schedules may be executed by the Executive Director or their designee(s) in a form approved by HASLC Counsel. The Executive Director or their designee(s) must authorize all other extra or changed work in writing.

8. General Terms and Conditions

8.1 **Status of Consultant.** Consultant shall function as an independent contractor for the purposes of this Agreement and shall not be considered an employee, agent or representative of HASLC, and shall not incur any obligation of any kind on behalf of HASLC.

8.2 **Award of Related Agreements.** HASLC may award supplemental or successor Agreements for work related to this Agreement or may award Agreements to other consultants for work related to this Agreement. Consultant shall cooperate fully with other consultants and HASLC in all such cases.

8.3 **Availability of Funds.** Consultant's payment obligation is conditioned upon the availability of funds which are appropriated or allocated for the payment of this obligation. If funds are not allocated and available for the continuance of the services provided by Consultant, the Agreement may be terminated by HASLC at the end of the period for which funds are available. HASLC shall notify Consultant at the earliest possible time of the services which will or may be affected by a shortage of funds. At the earliest possible time means at least thirty (30) days before the shortage will affect payment of claims, if HASLC knows of the shortage at least thirty (30) days in advance. No penalty shall accrue to HASLC in the event this provision is exercised, and HASLC shall not be obligated or liable for any future payments due or for any damages as a result of termination under this provision. This provision shall not be interpreted or construed to permit HASLC to terminate this Agreement in order to acquire similar services from another party.

8.4 **Governmental/Sovereign Immunity.** HASLC does not waive its sovereign immunity by entering into this Agreement and specifically retains all immunities and defenses

available to it as a governmental entity. HASLC fully retains all immunities and defenses provided by law with regard to any action, whether in tort, Agreement, or any other theory of law, based on this Agreement. Designations of venue, choice of law, enforcement actions, and similar provisions should not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Agreement shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.

8.5 Confidentiality; Data Security; Incident Notice. Consultant shall keep confidential and shall not, without HASLC's prior written consent, disclose to any third party or use for any purpose other than performance of the Services, any nonpublic information, records, documents, data, materials, or other information provided by or obtained from HASLC in connection with this Agreement ("Confidential Information"). Consultant shall use reasonable and appropriate administrative, technical, and physical safeguards to protect Confidential Information from unauthorized access, use, disclosure, loss, alteration, or destruction. Consultant shall limit access to Confidential Information to those of its employees, agents, and approved subcontractors who have a need to know such information for purposes of performing the Services, and Consultant shall ensure that all such persons are bound by written confidentiality and data-protection obligations at least as protective as those set forth herein. Consultant shall be responsible for any breach of this Section by its employees, agents, or subcontractors.

Consultant shall notify HASLC in writing of any actual or reasonably suspected unauthorized access to, acquisition of, disclosure of, or loss of Confidential Information, or any other security incident affecting Confidential Information, promptly upon discovery and in no event later than forty-eight (48) hours thereafter. Consultant shall promptly investigate, contain, mitigate, and remediate any such incident; shall take all reasonable steps necessary to prevent any further compromise; and shall cooperate fully with HASLC in connection with the incident, including by providing timely updates and such information, documentation, and assistance as HASLC may reasonably request. Except to the extent caused by HASLC's own acts or omissions, Consultant shall be responsible for the costs of investigation, mitigation, remediation, and any legally required notice arising from a security incident caused by Consultant or its employees, agents, or subcontractors.

Upon expiration or termination of this Agreement, or upon HASLC's written request, Consultant shall promptly return or securely destroy all Confidential Information in its possession or control, except to the extent retention is required by applicable law or by the record-retention requirements of this Agreement. Nothing in this Section shall be construed to limit HASLC's obligations under applicable public-records, records-retention, audit, court order, or other legal disclosure requirements.

8.6 Conflict of Interest. Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement no person having any such interests shall be employed. In addition, if requested

to do so by HASLC, Consultant shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with HASLC disclosing Consultant's or such other person's financial interests.

8.7 Nondiscrimination. Without limiting any other provision hereunder, Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis, including without limitation, the HASLC's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

8.8 Non-Lobbying Certification. Consultant certifies that no federal appropriated funds have been paid or will be paid by or on behalf of the Consultant to any person for influencing or attempting to influence an officer or employee of HASLC, Member of Congress, officer or employee of Congress, or employee of a Member of Congress in connection with the awarding of this Agreement.

8.9 Debarment and Suspension Clause. Consultant certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

8.10 Force Majeure. Neither party shall be liable for delays caused by circumstances beyond its reasonable control, including but not limited to acts of God, pandemics, labor disputes, natural disasters, or governmental orders. The affected party shall promptly notify the other party of the force majeure event, and both Parties shall use reasonable efforts to mitigate the delay or damages caused thereby.

8.11 Dispute Resolution. The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement through informal discussions between authorized representatives of the Parties. If a dispute is not resolved through such discussions, either Party may pursue any remedy available at law or in equity, subject to the terms of this Agreement and applicable law. By mutual written agreement, the Parties may elect to submit a dispute to non-binding mediation before a mediator mutually acceptable to the Parties. Participation in mediation shall be voluntary and shall not be a condition precedent to litigation or any other exercise of rights or remedies. Nothing in this Section shall be construed to waive HASLC's governmental or sovereign immunity, to alter the forum or applicable law provisions of this Agreement, or to limit either Party's right to seek injunctive or other equitable relief, to pursue collection of amounts due, or to enforce confidentiality obligations or ownership and use rights relating to work product or intellectual property.

8.12 Deliverables; Review and Acceptance. Consultant shall provide the principal deliverables described in Attachment A, which shall include: (a) a Current State Assessment; (b) retreat planning and facilitation materials; (c) a retreat summary memorandum; (d) a draft strategic plan; (e) a final five-year strategic planning document; (f) a one-page summary of the strategic plan; (g) a goal tracker or similar implementation-tracking tool; (h) training and

orientation regarding implementation of the strategic plan and use of the goal tracker; and (i) participation in one HASLC Board meeting to present the Strategic Plan for adoption, unless Attachment A expressly provides otherwise. Any additional Board meetings, retreat sessions, facilitation sessions, or other presentations or meetings requested by HASLC beyond those included in Attachment A shall require prior written approval and, unless otherwise agreed in writing, shall be billable in accordance with this Agreement. HASLC shall have fifteen (15) business days after receipt of each deliverable to review and either accept it or provide written notice describing any material deficiencies. A deliverable shall be deemed accepted if HASLC does not provide such written notice within that period. If HASLC timely identifies material deficiencies, Consultant shall promptly revise and resubmit the deliverable. Any revised deliverable shall not be deemed accepted unless and until HASLC provides written approval. Acceptance of any deliverable shall not waive latent defects or Consultant's obligation to perform the Services in accordance with this Agreement. Final acceptance of the final deliverables described in subsections (e), (f), (g), (h), and (i), together with delivery of all required final electronic and editable files and other closeout materials, shall be a condition precedent to release of any holdback under Section 2.6.

8.13 Ownership of Deliverables; License to Consultant Materials. Consultant agrees that all reports, assessments, analyses, memoranda, plans, presentations, goal-tracking configurations, training materials, and other work product created specifically for HASLC under this Agreement (collectively, the "Deliverables") are specially prepared for HASLC and shall become the property of HASLC upon creation and payment therefor. To the extent any ownership rights in the Deliverables do not automatically vest in HASLC, Consultant hereby assigns to HASLC all right, title, and interest in and to the Deliverables. Notwithstanding the foregoing, Consultant retains all right, title, and interest in and to Consultant's pre-existing and independently developed templates, frameworks, methodologies, models, processes, software, tools, training materials, and general know-how, and any modifications or improvements thereto that are not unique to HASLC (collectively, "Consultant Materials"). To the extent any Consultant Materials are incorporated into, embedded in, or reasonably necessary to use the Deliverables, Consultant grants HASLC a perpetual, irrevocable, non-exclusive, royalty-free license to use, reproduce, display, distribute, and internally modify such Consultant Materials for HASLC's governmental, administrative, and operational purposes. Except for the foregoing license, no ownership rights in Consultant Materials are transferred to HASLC. Consultant may retain copies of the Deliverables for its records and may use its general ideas, concepts, know-how, skills, and experience, provided that Consultant does not disclose HASLC Confidential Information or reuse HASLC-specific Deliverables for another client.

9. Assignment and Delegation

Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

10. Method and Place of Giving Notice, Submitting Bills and Making Payments.

All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service addressed as follows:

TO HASLC: Daniel Nackerman, Executive Director
Housing Authority of Salt Lake City
1776 S. West Temple St.
Salt Lake City, UT 84115
dnackerman@haslcutah.org

TO CONSULTANT: Don Davis, Director of Professional Services
Bronner Group, LLC
120 LaSalle Street, Suite 1300
Chicago, IL 60602
Phone: (312) 759-5101
Fax: (312) 759-5110
ddavis@bronnnergroupp.com

Changes may be made to the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

11. Additional Miscellaneous Provisions

11.1 No Waiver of Breach. The waiver by HASLC of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

11.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Consultant and HASLC acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Consultant and HASLC acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

11.3 Consent. Except where this Agreement expressly provides otherwise, wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

11.4 Authority. Each of the undersigned hereby represents and warrants that he or she has authority to execute and deliver this Agreement on behalf of his or her respective party.

11.5 No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

11.6 Compliance. Consultant agrees to comply with all applicable federal, state, and local laws, rules, ordinances, regulations, and requirements governing or affecting its performance.

11.7 Collusion. Consultant certifies that neither it, nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, in any way colluded, conspired, connived, or agreed, directly or indirectly, with any other bidder, firm, or person to submit a collusive or sham proposal in connection with this Agreement or to refrain from submitting a proposal in connection with this Agreement, or in any manner, directly or indirectly, sought by unlawful agreement or connivance with any other bidder, firm, or person to fix the price or prices in Consultant's proposal that led to this Agreement, or to fix any overhead, profit, or cost element of the price or prices in Consultant's Proposal, or to secure through collusion, conspiracy, connivance, or unlawful agreement any advantage related to this Agreement. Consultant further certifies that the price(s) quoted in Consultant's Proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including itself.

11.8. Access to Records/Audit(s). Consultant shall maintain and preserve all books, documents, papers, accounting records, and other materials pertinent to this Agreement in accordance with generally accepted accounting principles and any other record-keeping requirements applicable to Consultant. Consultant shall make such records available for inspection, audit, and copying by HASLC and any other person or entity authorized by law at reasonable times and upon reasonable notice. Consultant shall retain such records for a period of not less than three (3) years after final payment under this Agreement, or for such longer period as may be required by applicable law, funding requirements, audit, investigation, claim, litigation hold, or other legal process.

11.9 Kickbacks. Consultant certifies and warrants that no gratuities, kickbacks, or contingency fees were paid in connection with this Agreement, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Agreement. If Consultant breaches or violates this warranty, HASLC may, at its discretion, terminate the Agreement without liability to HASLC, or deduct from the agreed upon price or consideration, or otherwise recover, the full amount of any commission, percentage, brokerage, or contingency fee.

11.10 No Finder's Fee. No finder's fee, employment agency fee, or other such fee related to the procurement of this Agreement, shall be paid by either party.

11.11 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of the State of Utah, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in Salt Lake City.

11.12 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

11.13 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

11.14 Survival of Terms. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

11.15 Attachments. This Agreement includes the following attachment:

Attachment A (“Scope of Services”)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date of last signature and certify that they have read, understood, and agreed to the terms and conditions of this Agreement.

Bronner Group, LLC:

Signature

Title

Printed Name

Date

HOUSING AUTHORITY OF SALT LAKE CITY:

Daniel Nackerman, Executive Director

Date

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Daniel Nackerman

Department: Executive

Subject: **Executive Director Update**

March 30, 2026



Housing Authority
of
Salt Lake City

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

- 1) Received an A+ Standard & Poor's (S&P) Global Rating as an issuer credit rating for the 2nd year. The rating, slightly improved from last year, noted "Extremely Strong Liquidity...Strong senior management...Very strong 'dependencies reflecting the strong demand for housing...Adequate debt profile...and Financial performance consistent with other rated agencies."

Of 9 rating factors, 6 of 9 were rated strong, very strong or extremely strong; 2 were rated adequate; and one was rated highly vulnerable, which was explained as "consistent with other Housing Authorities" as the unique nature of HA's don't land in a high score for EBITA over adjusted operating ratio. However, our ratio on this noted "the trend is positive, and (after) 2027 will be supported by cash flows from new developments and the complete exit from Public Housing, which over time could improve the ratio."

This rating for us is highly unusual, as only 70-90 HA's (of 3,800) have an S&P or Moody's Rating. This will help our real estate financing at many levels and will also allow us to issue or participate in certain types of bond financing.

- 2) Significant progress has been made on the Mansell Manor project including Architecture/Engineering launch, preliminary financing identification, a final rezoning steps.
- 3) Extremely slow progress continues with our process to remove Public Housing property (Phillips Plaza, Romney Plaza, and central office area buildings) from the HUD program despite significant 3rd party assistance and major staff time investment. Major milestones are still incomplete (environmental, HUD approval, financing team procurement, etc.) This continues to bring potential risk as the large deficits on operating may not have a source of funds by 2027.
- 4) A groundbreaking was held Feb 18 for a project we helped finance through vouchers – Valley Behavioral Health. Permanent Supportive Housing (previously unhoused with mental health issues).
- 5) Failed to gain funding from a new pool at City CRA wherein we asked for over \$2 mill for The Grove project. The scoring system seemed subjective rather than objective in some areas and the funding was swiftly committed to other developers.
- 6) We were successful in gaining an infrastructure **grant** from the State of Utah for the Grove parking structure in the amount of \$2 mill! Fully confirmed on 03/11/2026. A consultant we hired last year was integral.

- 7) Two development firms, from Oregon and Florida respectively, have met with us as possible partners.
- 8) We were successful in submitting and gaining final qualification for two 4% Low Income Housing Tax Credit (LIHTC) funding for The Grove project to the State of Utah Private Activity Bond (PAB) board for final consideration at an April 8 Board meeting. The process has been onerous, and our project did not score very highly – yet the funding is not in high demand by others this round. Note that HASLC/HAME/HDC have not utilized 4% bonds in recent times - if ever.
- 9) A State Bill we helped write to utilize rent and utility payments as primary applicant credit check at HA properties did not pass as it was a tie vote.
- 10) Four large projects are under construction and proceeding well. See HAME development report.
- 11) Issues (lack of controls) with small and medium-sized construction projects have been uncovered and the rectification is on-going.
- 12) HASLC is likely to contract with a small firm headed by a past Salt Lake City Council member for local marketing and event planning on a relatively small scale. This person was a high performing member of a larger team (Sego Strategies/Anthem Partners) that performed consulting services related to government relations through a contract dated 12/6/2021 (not renewed after 14 months). The initial assignments will be coordinating a few key public events - and engaging other entities in home ownership strategies and funding.

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

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Jackie Rojas
Department: Section 8



Item: Voucher Leasing and Budget Utilization

March 30, 2026



Housing Authority
of
Salt Lake City

BACKGROUND:

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

FUNDING AND UTILIZATION:

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

- The number of standard Housing Choice Vouchers allocated to HASLC, also known as Unit Months Available (UMA) is 3,047 per month in 2026. The annual maximum UMA that may be leased in 2026 is 36,564.
- The **ESTIMATED** Annual Budget Authority for 2026 is \$40,037,484. This estimate comes from our most recent Two-Year-Tool updated by HUD staff. The final Budget Authority is expected to be released in the upcoming months.

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

MONTHLY SUMMARY:

The attached data demonstrates total Leasing and Budget utilization through February 2026.

- **LEASING:** The cumulative Unit Months Leased for February 2026 is 2,841. This is 15.6% of the Unit Months Available – ideally it would be 16.67%
- **BUDGET:** The cumulative budget expenditure for February 2026 is \$3,202,825. This is 16.13% of the **ESTIMATED** Budget Authority – ideally it would be 16.67%

While the data shows us below the allocated number of vouchers under the budget, we have purposefully been conservative due to the uncertainty of HUD's 2026 program funding levels as well as planning for the issuance of new Project Based Vouchers.

CONCLUSION:

Although HUD has not yet announced funding for 2026, our goal is to maintain steady utilization of units and budget authority, primarily through continued leasing of Project Based Units and VASH Vouchers. Staff will continue to closely monitor leasing and budget expenditures both internally and through regular reviews of our "Two-Year-Tool" with HUD staff.

ACTION: Accept report. No vote needed.

Section 8 Leasing and Budget Summary as of
February 28, 2026

MONTH	2026 Unit Months Available (UMA)	Actual Units Leased
JANUARY	3,047	2,849
FEBRUARY	3,047	2,841
MARCH	3,047	
APRIL	3,047	
MAY	3,047	
JUNE	3,047	
JULY	3,047	
AUGUST	3,047	
SEPTEMBER	3,047	
OCTOBER	3,047	
NOVEMBER	3,047	
DECEMBER	3,047	
	36,564	5,690

Reporting month target 16.67% 15.56%

MONTH	2026 Budget Authority	ACTUAL HAP EXPENSES
JANUARY	\$ 3,336,457	\$3,255,236
FEBRUARY	\$ 3,336,457	\$3,202,825
MARCH	\$ 3,336,457	
APRIL	\$ 3,336,457	
MAY	\$ 3,336,457	
JUNE	\$ 3,336,457	
JULY	\$ 3,336,457	
AUGUST	\$ 3,336,457	
SEPTEMBER	\$ 3,336,457	
OCTOBER	\$ 3,336,457	
NOVEMBER	\$ 3,336,457	
DECEMBER	\$ 3,336,457	
	\$ 40,037,484	\$ 6,458,061

Reporting month target 16.67% 16.13%

ESTIMATED 2026 HAP Funds Available **\$40,037,484.00**
 2026 HAP Funds Expended **\$6,458,061.00**

YTD Target Utilization 16.67%	YTD Actual Utilization of all Funding Available 16.1%
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Housing Authority of Salt Lake City
Staff Report

Report Provided by: Britnee Dabb
Department: Executive



Item: Resident Support (RS) Report

March 30, 2026



Housing Authority
of
Salt Lake City

BACKGROUND:

The Resident Support (RS) team is dedicated to improving residents' quality of life across our properties. By partnering with community organizations, we help residents achieve household stability and financial independence. Our focus is on community engagement, building strong relationships, and creating a welcoming, supportive environment.

Using individualized needs assessments, the team identifies each resident's unique challenges, ensures their perspectives are heard, and implements tailored solutions that enhance their overall living experience. The RS team actively supports residents at all stages of life through initiatives in financial literacy, household stability, education, transportation, health and wellness, crisis support, eviction-prevention, and recreational/social programs. These efforts aim to achieve meaningful outcomes in community engagement, customer service, and program development.

The summary below outlines the main activities and achievements for this reporting period:

COMMUNITY OUTREACH AND ENGAGEMENT:

Health and Wellness Initiatives

The HASLC Community Cupboard continues to meet a proven and ongoing need, as food insecurity remains a significant challenge for both residents and the wider community. During this reporting period, the program received a generous donation from **Waste Less Solutions**. Employees in the Housing Choice Voucher and Resident Support programs, along with community friends, have also maintained a steady stream of donations to help us serve residents and applicants.

Education Initiatives

Resident Support launched the Financial Fridays Education Series, held every two weeks in both virtual and in-person formats. The series began with training from the **FDIC** and the **Consumer Financial Protection Bureau**.

Household Stability Initiatives

Employees provided benefit enrollment assistance at the Homeless Resource Fair held at St. Mark's Cathedral. Finding solutions through benefit eligibility improves residents' and the community's lives.

Family Self-Sufficiency Program

Over 50% of residents have financial, digital literacy, and personal wellness goals. Other highlights include:

- Four clients enrolled in FSS
- One client is running for office in District 39 of the Utah State House of Representatives
- One client opened a business

- One client graduated from Phase II of People Helping People
- One client applied to the LPN program at Eagle Gate College

New Community Partnerships

Live Your Dream Foundation offers scholarships to our residents who qualify and has donated 20 Single Mother Essential Kits, which will be distributed at a future financial workshop.

Employees also met with **Mobility Cares** and began a partnership that will provide clients with on-site eye exams and glasses at our West Temple Office.

END OF THE REPORT

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Britnee Dabb
Department: Executive



Item: Community Partners Report

Date: 03/30/2026



Housing Authority
of
Salt Lake City

HASLC recognizes the vital importance of building active community partnerships to strengthen the community and establish itself as a leader in affordable housing and related initiatives. The team consistently focuses on forming and maintaining these partnerships. This report highlights the staff's efforts to build or deepen relationships with organizations or individuals. It does not include routine meetings, many of which occur weekly or bi-weekly.

- **Millcreek City's Promise Program** team and HASLC staff recently met to discuss their initiative. The focus of the meeting was on how they can work together to improve community engagement and offer valuable resources to residents. The goal is to create a supportive environment for families and individuals who need assistance.
- The staff met with representatives from **Redemption Bank**, formerly Holladay Bank, to explore strategies for helping residents build sustained wealth and improve housing stability. This partnership focuses on providing resources for affordable housing and enhancing financial literacy in the community. Additionally, we are reviewing further opportunities proposed by the bank that could be beneficial.
- Attended the **Utah Advisory Council** meeting to engage with a diverse group of organizations and agencies representing low-income individuals in our state. This meeting focused on providing valuable insights for the development and implementation of the Weatherization Assistance Program.
- Staff met **Senator Lee's** legislative correspondent to discuss potential housing legislation. The focus was on exploring ways to reduce regulatory burdens and compliance costs associated with federal housing programs, which often hinder access to affordable housing opportunities. This meeting shows our commitment to addressing housing issues in Utah and in other areas with similar problems
- Staff participated in an interview with **Novogradac** on new development projects, offering valuable insights that will be featured in an upcoming national article highlighting our community development efforts and partnerships. Novogradac is a professional services firm with over 35 years of experience in audit, tax, valuation, and consulting, primarily for real estate. They specialize in affordable housing, renewable energy, and community development, providing solutions for complex financial and compliance challenges.
- An update meeting was held with our staff and **Salt Lake City Corporation's Community Reinvestment Agency** (formerly the RDA) to share progress on ongoing HASLC projects and initiatives, supporting the city's goals for community growth and revitalization.

- A meeting was held with **BeauxSimone Consulting** and staff to discuss the upcoming Utah Re-entry Session, which aims to support individuals transitioning from jail or prison. The discussion included how HASLC can equip housing providers, such as developers and property managers, with the tools and skills needed to develop stable, affordable housing options for re-entry, with the goal of breaking the cycle of homelessness.
- HASLC staff participated in the **Millcreek Economic Wellbeing Committee** meeting, where we engaged with various local stakeholders and initiatives focused on promoting economic growth and improving the overall well-being of our community. We discussed ways to support local businesses, tackle economic challenges, and encourage sustainable development, all to enhance residents' quality of life.
- Worked with **Women of the World** to discuss ways we can support each other's programs, shared updates on our goals, and answered questions about housing to show our commitment to community outreach and partnership development. Women of the World focuses on empowering women from all nations to achieve independence, economic success, and a voice in the community

END OF THE REPORT

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Deputy Director Zac Pau'u

Department: Property Management

Item: Key Performance Indicators (KPIs)
February 2026

March 30, 2026



Housing Authority
of
Salt Lake City

Background:

The Property Management Department has developed Key Performance Indicators (KPIs) and associated metrics to monitor performance around essential activities. The tables below detail KPIs and metrics in focus for residential and commercial assets within 923 Housing Authority owned units and the 4 associated commercial spaces. 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 Housing Assistance Management Enterprise (HAME) 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. Units impacted by outlying circumstances such as excessive extermination, excessive damage, or death are identified in this report as outliers.

Commercial square footage across the portfolio includes three spaces within residential properties: Beauty within Med Spa (760 square feet), Smart Salon Eyebrow Threading (650 square feet), and Raw Eddies vegan desserts (1,000 square feet), totaling approximately 2,410 square feet. The Main Office includes 7,500 square feet of leased commercial space occupied by Aviation AVA. The Oquirrh location includes Capitol Hill Academy (9,057 square feet) and Hearten House (9,625 square feet), totaling 18,682 square feet of leased space, with an additional 11,847 square feet currently unleased.

Leased commercial space totals 28,592 square feet.
Unleased commercial space totals 11,847 square feet.
Total commercial space across the portfolio is 40,439 square feet.

Analysis:

KPI: Commercial Occupancy

Metric: $\geq 90\%$ occupancy

Commercial Occupancy	February
HASLC	70.7%

KPI: Average Occupancy at the close of February 2026

Metric: $>95\%$ for stabilized properties

Average Occupancy	February
HASLC	92.3%

Move-ins	February
HASLC	12

Move-outs	February
HASLC	7

Evictions	February
HASLC	1

KPI: Work order completion

Metric: >90%

For the month of February, **92%** of work orders submitted during the reporting period were completed.

Total Work Orders	February
HASLC	412

Unit Turns Completed	February
HASLC	15

KPI: Average Number of Days Vacant for February 2026

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

	February
HASLC	22

VA referral units' days Vacant

We had four move-ins at our VA referral properties.

	February
HASLC	116

KPI: Tenant Account Receivables (TARs)

Metric: 4% of Potential Rent or less.

In the previous month, HASLC had a rolling accounts receivable (AR) balance of \$90,652. We collected \$35,966 resulting in a 40% collection rate. Of this total, \$26,137 remains outstanding for more than 90 days. HASLC currently has 27 repayment agreements in effect, with a 96% compliance rate up to last month.

For the month of February, the total recurring charges for HASLC-owned properties amounted to \$868,159 with a **5%** delinquency rate. At the close of February, the combined total owed for HASLC owned properties was \$98,514

Financial Impact:

Account Receivables Owed

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

Action Recommended:

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

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Director of Property Management,
Vicci Jenkins

Department: Property Management



Subject: **Update on Tax Credit Property Compliance**

March 30, 2026



Housing Authority
of
Salt Lake City

BACKGROUND:

The Housing Authority of Salt Lake City manages 10 properties funded through Section 42 of the Internal Revenue Code, also known as the Low-Income Housing Tax Credit (LIHTC) program, totaling 828 units, with upcoming developments in process. Recognizing past challenges, particularly in Certification Online Budget Data and Certification Online Financial Data, ongoing reporting to the board is emphasized to address delays. Utah Housing Corporation (UHC), the state's Housing Finance Agency, interprets the IRS regulatory code, distributing an annual compliance manual and conducting audits at each site based on that interpretation. Subsequent sections will elaborate on updates in the audit processes at Taylor Gardens and Taylor Springs as well as Jefferson School Phases I and II. Annual Owner Certification and Quarterly Submissions for all LIHTC properties.

Taylor Springs had a file audit on April 1, 2025, and a physical audit on April 22, 2025. Full findings were received on April 28, 2025, with a response due date of May 28, 2025. The response was submitted within the required time frame, and we are awaiting final close-out.

Taylor Springs also underwent a 2026 audit. When inquiry was made regarding When inquiry was made regarding an audit being conducted with the previous audit still outstanding, we were informed that the auditing entity has until April 2, 2026, to complete the 2025 audit cycle. The file audit occurred on March 6, 2026, with the physical audit conducted on March 17, 2026. Two exigent findings were reported and addressed within 24 hours. As of this time, full audit results or formal reports have not been provided.

Jefferson School Apartments Phase I had a physical audit on March 25, 2025. A response to the exigent findings was submitted the following day. Findings were received on March 31, 2025, with a response submitted on April 24, 2025. We are awaiting final close-out.

Jefferson School Apartments Phase I also underwent a 2026 audit. When inquiry was made regarding an audit being conducted with the previous audit still outstanding, we were informed that the auditing entity has until April 2, 2026, to complete the 2025 audit cycle. The file audit occurred on February 12, 2026, with the physical audit conducted on February 27, 2026. As of this time, full audit results or formal reports have not been provided

Jefferson School Apartments Phase II had a physical audit on March 25, 2025. A response to the exigent findings was submitted the following day. Findings were received on March 31, 2025, with a response submitted on April 24, 2025. We are awaiting final close-out.

Jefferson School Apartments Phase II also underwent a 2026 audit. When inquiry was made regarding When inquiry was made regarding an audit being conducted with the previous audit still outstanding, we were informed that the auditing entity has until April 2, 2026, to complete the 2025 audit cycle. The file audit occurred on February 12, 2026, with the physical audit conducted on February 27, 2026. As of this time, full audit results or formal reports have not been provided

Taylor Gardens underwent a 2026 audit. The file audit occurred on March 6, 2026, with the physical audit conducted on March 24, 2026. This audit was not related to the timing concerns noted at other properties and is being treated as a standard audit cycle. As of this time, no audit results or formal report has been provided.

ANNUAL/QUARTERLY SUBMISSION REQUIREMENT UPDATES:

On February 4, 2026, UHC distributed the Annual Owner Certification report instructions for the program year 2025. The Director of Property Management and Finance Department, along with third-party property management, are actively coordinating efforts to ensure the timely submission of complete and accurate data due April 30, 2026.

ANALYSIS:

Audit and oversight activities across the LIHTC portfolio remain on track. Closed-out properties demonstrate progress in meeting UHC requirements, and all remaining sites are in final stages pending reports from UHC.

RECOMMENDED ACTION:

None required. This report serves as an update for information purposes.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Josie
Department: Commission



Item: Upcoming Conferences and Trainings

March 30, 2026



Housing Authority
of
Salt Lake City

CONFERENCES and TRAINING:

Industry trainings and related conferences are available for HASLC Commissioners. Some of the upcoming conferences and training are listed below. Please reach out to Josie to ask any questions or register.

National Leased Housing Association (NLHA)

- June 16-18, 2026, Washington, DC 2026 Annual Meeting
- October 29-30, 2026, Washington, DC 2026 Fall Seminar

Nan McKay & Associates

- Varied Dates, 2026, Webinar Essentials for Commissioners
 - Several other Trainings and Webinars on their website**

National Association of Housing and Redevelopment Officials (NAHRO)

- July 16-17 Nashville, TN 2026 Summer Symposium
- October 15-17 Denver, CO 2026 National Conference

Public Housing Authority Directors Association (PHADA)

- June 10-16, 2026, Chicago, IL 2026 Annual Convention and Exhibition
- September 13-15, 2026, Washington, DC 2026 Legislative Forum

Office of the State Auditor

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



HOUSING AUTHORITY OF SALT LAKE CITY

Meeting Location: 350 South 400 East, Salt Lake City, 84111

11:00 a.m. – 2:00 p.m.

Please call 801-428-0600 for more information

The Housing Authority of Salt Lake City is committed to our Mission:
To provide affordable housing opportunities for our community

2026 Scheduled Board Meeting Dates

Monday, January 26, 2026

Monday, February 23, 2026

Monday, March 30, 2026

Monday, April 27, 2026

Monday, May 18, 2026

Monday, June 29, 2026

Monday, July 27, 2026 (*may be cancelled)

Monday, August 31, 2026

Monday, September 28, 2026

Monday, October 26, 2026

Monday, November 30, 2026

Monday, December 28, 2026 (*may be cancelled)

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

END OF REPORT