

UTAH HOUSING CORPORATION
Minutes of Monthly Meeting
August 26, 2021

PARTICIPANTS

UHC Trustees in Person:

Patricia Sheffield, Chair
Lee A Carter, Trustee
Rob Allphin, Trustee
Lori Fleming, Trustee

UHC Staff in Person:

David Damschen, President and CEO
Cleon Butterfield, Senior Vice President and CFO
Breezie Williams, AVP Servicing
Susan Larsen, Executive Administrative Assistant

UHC Trustee via Teleconference

Annette Lowder, Vice Chair
G. Edward Leary, Trustee
Jessica Norie, Trustee

UHC Staff via Teleconference:

Claudia O’Grady, Vice President Multifamily Finance

Guests via Teleconference:

Preston Olsen, Gilmore & Bell
Jodi Bangerter, Gilmore & Bell
Jeremy Shinoda

Trustees of the Utah Housing Corporation (UHC or Utah Housing) and UHC staff met in a Monthly Meeting on Thursday, August 26, 2021, at 1:30 PM MDT with attendance in person and via teleconference. In accordance with the Utah Open and Public Meetings Act, the meeting was an electronic meeting and the anchor location was the office of Utah Housing Corporation located at 2479 Lake Park Blvd, West Valley City, Utah.

Patricia Sheffield, UHC Board Chair, called the meeting to order. The Chair then determined for the record that a quorum of Trustees was present, as follows:

Patricia Sheffield, Chair
Annette Lowder, Vice Chair
G. Edward Leary, Trustee
Jessica Norie, Trustee
Lee A Carter, Trustee
Rob Allphin, Trustee
Lori Fleming, Trustee

The Chair excused the following trustees:

Marlo Oaks, Trustee
Christina Oliver, Trustee

The Chair welcomed everyone to the meeting. The Chair then introduced the President and CEO, David Damschen, and announced that he would be taking the Trustees through the Board packet.

David C. Damschen, President of Utah Housing, then reported that the Notice of the Monthly Meeting was given to all Trustees of Utah Housing and that material addressing the agenda items had been distributed to the Trustees in advance of the meeting.

Mr. Damschen then acknowledged a Verification of Giving Notice, evidencing the giving of not less than 24 hours public notice of the date, time, place and summary of agenda of the Utah Housing Corporation Monthly Meeting in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202(2)(a)(b), Utah Code Annotated 1953, as amended; together with the form of Notice of Monthly Meeting referred to therein; and also the required public notice of the 2021 Annual Meeting Schedule of Utah Housing will be entered into the Minutes.

The Chair called for the first agenda item.

1. Approval of the Minutes of July 29, 2021 Monthly Meeting

The Trustees had been provided with a copy of the written minutes of the July 29, 2021, Monthly Meeting in their Board packets. The Trustees acknowledged they had sufficient time to review these minutes. Ms. Sheffield asked for any discussion on the July 29, 2021, minutes as presented.

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

MOTION: TO APPROVE THE WRITTEN MINUTES OF THE MONTHLY MEETING OF JULY 29, 2021.

Made by: Lee A Carter
Seconded by: Lori Fleming

The Chair called for the next agenda item.

2. Disclosure of Trustees' Interests

Ms. Sheffield stated that the consolidated list of the disclosures of interests on file for each Trustee is contained in the board packet, and subject to any changes, will be attached to the minutes of this meeting. Each Trustee will be asked to respond if your disclosure of interests on file with Utah Housing is current.

Mrs. Larsen asked each Trustee to respond by saying yes if the Disclosure of Interest on file is current. Each Trustee was called on and they responded as follows:

G. Edward Leary	Yes
Lee A Carter	Yes
Annette Lowder	Yes
Jessica Norie	Yes
Rob Allphin	Yes
Lori Fleming	Yes

Patricia Sheffield

Yes

The following is a consolidated list of the Disclosures of Interests on file for each Utah Housing Trustee:

Name of Trustee	Nature of Interest or Potential Interest
Name of Trustee	Nature of Interest or Potential Interest
Patricia Sheffield <i>(chair)</i>	Presently retired from any employment and has no interests in any transactions with the Corporation.
Annette Lowder <i>(vice chair)</i>	Presently serving as Chief Operations Officer (COO) of Intercap Lending, Inc., a mortgage lender doing business in the state of Utah. Intercap Lending may originate mortgage loans for sale to the Corporation under its programs.
Lee A Carter	Presently serving as the Head of Banking Development of Rakuten. Rakuten is an industrial bank and may participate in the investment of tax credits and may be owner of bonds issued by the Corporation. The bank may also provide the Corporation with other financial instruments and enter into agreements that benefit the Corporation and the bank.
Jessica Norie	Presently serving as President of Artspace, a nonprofit which creates affordable live and work space to revitalize and promote stable, vibrant and safe communities. Artspace may be involved in the use of low income housing tax credits and tax exempt bond financing for affordable housing, and may manage housing or develop housing under the Corporation's programs.
Rob Allphin	Presently serving as an Executive Vice President of First Colony Mortgage, a mortgage lender doing business in the state of Utah. First Colony Mortgage may originate mortgage loans for sale to the Corporation under the Corporation's program.
Lori Fleming	Presently serving as an Associate Broker with Golden Spike Realty. Golden Spike Realty may be involved in real estate transactions that use mortgage loans under the Corporation's programs, and may serve as a marketing agent for various properties owned by the Corporation.
Marlo Oaks <i>(ex-officio)</i>	Presently serving as the Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
G. Edward Leary <i>(ex-officio)</i>	Presently serving as the Commissioner of Financial Institutions for the State of Utah and has no interests in any transactions with the Corporation.
Christina Oliver <i>(designee of ex-officio)</i>	Presently serving as the Division Director of The Housing and Community Development Division of the Department of Workforce Services for the State of Utah as well as the administrator of the Olene Walker Housing Loan Fund and the National Housing Trust Fund. Monies from each of these funds may be used in financing of rental housing developed with Low-Income Housing Tax Credits.

The Chair called for the next agenda item.

3. **Resolution 2021-27 Authorizing the Reservation of Federal and State Low-Income Housing Tax Credits**

A RESOLUTION OF THE UTAH HOUSING CORPORATION RESERVING FEDERAL AND STATE HOUSING TAX CREDITS

Mr. Damschen shared with the Board of Trustees that the memos and resolutions for all resolutions to be discussed today were provided in the previously distributed Board Packets for the review of everyone in advance of the meeting.

Ms. O’Grady described the projects that would be receiving the tax credits. Following discussion, Mr. Damschen stated that approving the resolution will enable Utah Housing to fulfill its mission to serve lower income renters and he recommended approval of Resolution 2021-27.

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

Motion: APPROVE RESOLUTION 2021-27 AUTHORIZING THE RESERVATION OF FEDERAL AND STATE LOW-INCOME HOUSING TAX CREDITS

Made by: Lori Fleming
Seconded by: Rob Allphin

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
G. Edward Leary Lee A Carter Annette Lowder Jessica Norie Lori Fleming Rob Allphin Patricia Sheffield		

The Chair called for the next agenda item.

4. **Resolution 2021-28 Euclid Flats Apartments, Authorizing the Issuance and Sale of Multifamily Housing Revenue Bonds in an Aggregate Principal Amount of Not to Exceed \$17,600,000**

A RESOLUTION OF UTAH HOUSING CORPORATION AUTHORIZING THE ISSUANCE AND SALE BY UHC OF ITS MULTIFAMILY HOUSING REVENUE BONDS (EUCLID STATION FLATS) SERIES 2021 IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,600,000 TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT; AUTHORIZING THE EXECUTION BY UHC OF AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, A LOAN AGREEMENT, A TAX REGULATORY AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

Mr. Damschen provided the breakdown of the project, which included the following:

- The State Private Activity Bond Board allocated a total of \$16,000,000 of tax-exempt bond cap to the project on January 20, 2021.
- The project will construct 120 units of rental housing for low-income individuals and families facilitating a total investment of over \$33,000,000 into Utah.
- Euclid Station Flats is a new construction development located on approximately 0.75 acres at 37 North 800 West in Salt Lake City, Salt Lake County.

After additional questions and discussion, Mr. Damschen stated approving the resolution will enable Utah Housing to fulfill its mission to serve lower income renters and he recommended approval of Resolution 2021-28.

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

**Motion: APPROVE RESOLUTION 2021-28 AUTHORIZING THE
ISSUANCE AND SALE OF TAX-EXEMPT
MULTIFAMILY HOUSING REVENUE BONDS IN AN
AMOUNT NOT TO EXCEED \$17,600,000**

**Made by: Rob Allphin
Seconded by: Lee A Carter**

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
G. Edward Leary Lee A Carter Annette Lowder Jessica Norie Lori Fleming Rob Allphin Patricia Sheffield		

The Chair called for the next agenda item.

5. Resolution 2021-29 Lotus Riverwalk Apartments, Authorizing a Tax-Exempt Mortgage Loan in an Amount Not to Exceed \$18,370,000

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) AUTHORIZING A TAX-EXEMPT MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$18,370,000 AND THE ISSUANCE AND DELIVERY BY UHC OF ITS MULTIFAMILY HOUSING REVENUE NOTE (LOTUS RIVERWALK APARTMENTS PROJECT) SERIES 2021 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$18,370,000 TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT; AUTHORIZING THE EXECUTION BY UHC OF A FUNDING LOAN AGREEMENT, A BORROWER LOAN AGREEMENT, A TAX REGULATORY AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

Mr. Damschen provided the breakdown of the project, which included the following:

- The project will construct 110 units of rental housing for low-income individuals and families facilitating a total investment of over \$30,000,000 into Utah.
- Lotus Riverwalk is a new construction development located on approximately 4.5 acres at approximately 260 West 20th Street, Ogden, Utah.
- Lotus Advantage Riverwalk, LLC, a subsidiary of Lotus Companies, LLC, will own the project along with tax credit partner, Raymond James Tax Credit Funds, Inc. The developer is Lotus Companies and the contractor is Pentalon Construction. Gilmore & Bell, PC will serve as Bond counsel. The fiscal agent is U.S. Bank National Association.

After additional questions and discussion, Mr. Damschen stated approving the resolution will enable Utah Housing to fulfill its mission to serve lower income renters and he recommended approval of Resolution 2021-29.

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

Motion: APPROVE RESOLUTION 2021-29 LOTUS RIVERWALK APARTMENTS, AUTHORIZING A TAX-EXEMPT MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$18,370,000

Made by: Lori Fleming
Seconded by: Rob Allphin

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
G. Edward Leary Lee A Carter Annette Lowder Jessica Norie Lori Fleming Rob Allphin Patricia Sheffield		

The Chair called for the next agenda item.

6. Resolution 2021-30 Richfield Apartments, Amending and Restating Resolution 2021-25, Authorizing a Tax-Exempt Mortgage Loan in an Amount Not to Exceed \$17,600,000, and a Taxable Mortgage Loan in an Amount Not to Exceed \$4,000,000

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) AUTHORIZING A TAX-EXEMPT MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$17,600,000 AND THE ISSUANCE AND DELIVERY BY UHC OF ITS TAX-EXEMPT MULTIFAMILY HOUSING REVENUE NOTE (RICHFIELD APARTMENTS PROJECT) SERIES 2021A IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,600,000 (THE “TAX-EXEMPT NOTE”) AND ITS TAXABLE MULTIFAMILY HOUSING REVENUE NOTE (RICHFIELD APARTMENTS PROJECT) SERIES 2021B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$4,000,000, (THE “TAXABLE NOTE” AND TOGETHER WITH THE TAX-EXEMPT NOTE, THE “NOTES”) TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT; AUTHORIZING THE EXECUTION BY UHC OF A BANK LOAN AGREEMENT, A BORROWER LOAN AGREEMENT, A TAX REGULATORY AGREEMENT, AN ASSIGNMENT AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

After questions and discussion, Mr. Damschen stated approving the resolution will enable Utah Housing to fulfill its mission to serve lower income renters and he recommended approval of Resolution 2021-30.

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

Motion: APPROVE RESOLUTION 2021-30 RICHFIELD APARTMENTS, AMENDING AND RESTATING RESOLUTION 2021-25, AUTHORIZING A TAX-EXEMPT MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$17,600,000, AND A TAXABLE MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$4,000,000

Made by: Lee A Carter
Seconded by: Lori Fleming

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
G. Edward Leary Lee A Carter Annette Lowder Jessica Norie Lori Fleming Rob Allphin Patricia Sheffield		

The Chair called for the next agenda item.

6. Reports and Non-Action Items

- **Operating Reports:** Mr. Butterfield reviewed the operating reports to the satisfaction of the Trustees.
- **COVID-19 Forbearance & Loss Mitigation Efforts:** Ms. Williams provided an update to the Board of Trustees regarding the COVID-19 mortgage forbearance issues along with the loss mitigation efforts of Utah Housing Staff. Currently, there are 1,004 active COVID-19 forbearance files. Foreclosure moratorium has ended (eviction moratorium ends September 30, 2021). Staff is working hard to cure the defaults as quickly as possible with HUD’s available tools; we do expect to see the foreclosure rate begin to climb but hopefully the majority of borrowers will qualify for loss mitigation.
- **Upcoming Events**
 - Audit and Risk Committee Meeting on Monday, August 30, 2021.
 - The NCSHA Annual Conference will be September 26-28, 2021 in Detroit, Michigan.

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