

UTAH HOUSING CORPORATION
Minutes of Monthly Meeting
October 28, 2021

PARTICIPANTS

UHC Trustees in Person:

Patricia Sheffield, Chair
Annette Lowder, Vice Chair
Marlo Oaks, Trustee
Lee A Carter, Trustee

UHC Trustee via Teleconference

G. Edward Leary, Trustee
Christina Oliver, Trustee
Lori Fleming, Trustee

UHC Staff in Person:

David Damschen, President and CEO
Cleon Butterfield, Senior Vice President and CFO
Jonathan Hanks, Senior Vice President and COO
Susan Larsen, Executive Administrative Assistant
Claudia O’Grady, Vice President Multifamily Finance
Ariane Gibson, Vice President Financial Services

Guests via Teleconference:

Preston Olsen, Gilmore & Bell
Jodi Bangerter, Gilmore & Bell
Emma Gilchrist, Deloitte
Justin McMillan, Deloitte
McKenna Marchant, Department of Workforce Services
Jeremy Shinoda

Trustees of the Utah Housing Corporation (UHC or Utah Housing) and UHC staff met in a Monthly Meeting on Thursday, October 28, 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, Utah Housing 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
Marlo Oaks, Trustee
Christina Oliver, Trustee
Lee A Carter, Trustee
Lori Fleming, Trustee

The Chair excused the following trustees:

Jessica Norie, Trustee
Rob Allphin, 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 August 26, 2021 Monthly Meeting

The Trustees had been provided with a copy of the written minutes of the August 26, 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 August 26, 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 AUGUST 26, 2021.

Made by: Lori Fleming
Seconded by: Annette Lowder

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:

Marlo Oaks	Yes
G. Edward Leary	Yes
Christina Oliver	Yes
Lee A Carter	Yes

Annette Lowder	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 2021-31 Authorizing the Reservation of State Low-Income Housing Tax Credits**

A RESOLUTION OF THE UTAH HOUSING CORPORATION RESERVING 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 what State Tax Credits are and that four projects had applied for State Tax Credits for construction financing gaps. Without the State Tax Credits, these projects would suffer severe and catastrophic financial issues. The projects were required to provide new matching funds equivalent to those of the State Tax Credits, which they all have done. Ms. O’Grady also shared that the pricing of the State Tax Credits ranged from \$0.61-0.71.

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 2021-31.

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 2021-31 AUTHORIZING THE RESERVATION OF STATE LOW-INCOME HOUSING TAX CREDITS

Made by: Christina Oliver
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 Marlo Oaks Christina Oliver Lee A Carter Annette Lowder Lori Fleming Patricia Sheffield		

The Chair called for the next agenda item.

4. Resolution 2021-32 Amending Utah Housing Corporation Bylaws

**A RESOLUTION AMENDING THE UTAH HOUSING CORPORATION
BYLAWS**

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

- Defines the relationships between UHC’s Internal Audit Director (IAD), the board’s Audit Committee, and the President. These provisions in the Bylaws outline a framework which assures the independence and desired beneficial impact of the internal audit function we’re implementing at UHC, while at the same time clarifying authorities of the Audit Committee necessary to carry out this objective.
- Eliminates citation of specific dates and times at which regular and annual meetings of the Board are to take place, and provide instead that such dates and times are to be fixed in accordance with resolutions of the Board. This eliminates the necessity of amending the Bylaws any time changes to these variables are needed.
- Clarifies the eligibility of prospective designees appointed by the Ex-officio members of the Board.
- Adds BoardEffect (generically defined within the Bylaws as “board portal software”) as a means of delivering board documents to Trustees.
- Provide non-substantive clarification.

Mr. Damschen shared that after the first draft, a second draft was completed and shared which included new gender identity language to be more non-binary. A thorough review of these amendments was conducted by the Executive team at Utah Housing, Chair Sheffield, Vice-Chair Lowder, Audit Committee Chair Carter, and general counsel.

After additional questions and discussion, Mr. Damschen recommended approval of Resolution 2021-32.

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 2021-32 AMENDING UTAH
HOUSING CORPORATION BYLAWS**

Made by: Marlo Oaks
Seconded by: Lori Fleming

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

G. Edward Leary
Marlo Oaks
Christina Oliver
Lee A Carter
Annette Lowder
Lori Fleming
Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

The Chair called for the next agenda item.

5. Report of Audit Committee

- Ms. Gibson described the color coding of the audit opinions as follows:
 - White: Typical financial statement audit.
 - Yellow: Governmental auditing statement.
 - Pink: Servicing portfolio statement.
 - Tan: Internal control compliance for HUD/GNMA.
 - Green: Required communications from Deloitte.
- Mr. Damschen asked Mr. Carter, Chair from the Audit Committee, to report the committee’s findings.
- Mr. Carter shared that the Audit Committee had met with Deloitte and found that the audit was clean. Mr. Carter thanked the staff for their work on the audit.
- Mr. Damschen turned the time over to Ms. Gilchrist from Deloitte to address any items they had.
- Ms. Gilchrist stated Deloitte had excellent cooperation from the Utah Housing Staff. Financial statements, GNMA compliance, and USAP all received clear opinions. It was a very clean audit with no significant adjustments made.
- Mr. Damschen thanked Deloitte and Utah Housing staff for another exceptionally practically perfect audit.

Ms. Oliver was excused from the meeting at 2:15 p.m.

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.
- **Upcoming Events**
 - There will not be a November meeting due to the Thanksgiving holiday.

- A special meeting will be held on Thursday, December 9, 2021.

The Chair announced that the meeting was adjourned with a motion from Mr. Oaks.