



COMMISSION MEETING AGENDA

**NOTE: New Meeting Location: 159 West Broadway
Suite 100, Salt Lake City, Utah
or Electronic Video or Phone Conference**

**REGULAR MEETING: Monday, February 28, 2022
11:00 pm – 2:00 pm**

MASKS ARE REQUIRED IN THIS FACILITY IF ATTENDING LIVE

TELEPHONIC MEETING NUMBER FOR ELECTRONIC MEETING: 1-415-655-0001 Access Code: 2553 770 2625

WEB OPTION:

<https://housingauthorityofsaltlakecity.my.webex.com/housingauthorityofsaltlakecity.my/j.php?MTID=mc3f6dee0b3ddb47c2e8bbac4d28c1111>

Please call 801-428-0600 for more information or to request a meeting recording.

Board of Commission Members

| | |
|-----------------------------------|--|
| Palmer DePaulis, Commission Chair | Cindy Gust-Jenson, Commission Vice Chair |
| Brenda Koga, Commissioner | Bill Davis, Commissioner |
| Amy J. Hawkins, Commissioner | Vacant, Resident Commissioner |
| Mike A. Pazzi, Commissioner | |

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 MEETING AGENDA

1. Roll Call (*existing and pending*)
2. Public Comment (*each participant will be allowed 3 minutes for comment*)
3. Motion to Approve HASLC Meeting Minutes of January 31, 2022 (attached) -- Board Chair / 3 minutes

4. **RESOLUTION # 783-2022 AUTHORIZING EXECUTIVE DIRECTOR TO EXECUTE DOCUMENTS FOR REFINANCING THROUGH AN OMNIBUS ACTION** for the Cambridge Cove apartments (71 units), Approximate loan amount = \$4,210,000. (attachments) Executive Director, General Counsel, Deputy Executive Director / 20 minutes *Page 15*
5. **RESOLUTION # 784-2022 AUTHORIZE THE EXECUTION OF THE MOVING TO WORK ANNUAL CONTRIBUTIONS CONTRACT AMENDMENT.** (attachments) Executive Director, Deputy Executive Director, Deputy Director, Director of Section 8 / 20 minutes *Page 22*
6. **RESOLUTION # 785-2022 AUTHORIZE THE DISPOSITION OF PUBLIC HOUSING UNITS AT THE CITY PLAZA APARTMENTS THROUGH SECTION 18** as a requirement by HUD in the RAD process. (attachments) Executive Director, General Counsel / 12 minutes *Page 36*
7. **RATIFY THE EXECUTION OF A LETTER OF AGREEMENT (LOA) BETWEEN HALSC and Housing Connect** approving general terms for the sale or transfer of a Public Housing property from HASLC to Housing Connect or an entity it controls. (attachments) Executive Director, Deputy Executive Director / 25 minutes *Page 42*
8. **PRESENTATION REGARDING THE BASIC INFORMATION OF THE NEW PROJECT KNOWN AS THE '1881 COLLABORATIVE' – 350 UNITS FUNDED THROUGH 4% BONDS.** No action required. (attachments) Executive Director, Director of Real Estate Development, Principal of DefyCOLAB / 10 minutes *Page 61*
9. **AUTHORIZE AWARD OF A CONTRACT TO 'FAIRWAY ELECTRIC'** for the replacement of light fixtures at the Canterbury Apartment property in a maximum amount of \$38,950. (attachments) Deputy Executive Director / 6 minutes *Page 62*
10. **SPECIAL REPORT ON AUDIO VISUAL TECHNOLOGY ISSUES IN THE BOARD ROOM** (attachments) Deputy Director / 10 minutes *Page 77*
11. Reports
 - A) **Commission Report – Audit Committee** *Page 80*
 - B) **Key Performance Indicator Report, Property Mgt: Deputy Director** *Page 81*
 - C) **Voucher Utilization Report: Section 8 Director** *Page 84*
 - D) **Executive Director Update: E.D.** *Page 87*
 - E) **Board Chair Report: Chair** *Page 88*

Note: Closed Sessions

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 (Donation)
- 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 privilege 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
 Ant announcements from closed session

12. Communications

13. Other Business

14. Adjournment

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Board Chair
Department: Commission



Item: Meeting Minutes of January 31, 2022

Date: February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Review and revise/approve meeting minutes from the Annual and Regular Open Meeting of January 31, 2022.
(Attached)

RECOMMENDATION:

Approve the meeting minutes of January 31, 2022.

HOUSING AUTHORITY OF SALT LAKE CITY
(HASLC)
ANNUAL AND REGULAR BOARD MEETING MINUTES

Housing Authority of Salt Lake City
Monday, January 31, 2022
11:52 a.m. – 2:25 p.m.

The Regular Meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held on Monday, January 31, 2021, from 11:52 a.m. to 2:25 p.m.

Commissioners in Attendance

Palmer DePaulis, Chair
Cindy Gust-Jenson, Vice Chair (via Webex)
Bill Davis, Board Member
Amy Hawkins, Board Member (via Webex)
Brenda Koga, Board Member
Michael Pazzi, Board Member

Staff in Attendance

Daniel Nackerman, President, HAME
Kim Wilford, Deputy Executive Director
Britnee Dabb, Deputy Director (via Webex)
Joe Regan, Finance Director
Paul Edwards, Agency Attorney
Jonathan Olson, Vice President, Development
Jackie Rojas, Director, Section 8
Zac Pau'u, Director of Homeless Programs
Angel Myers, Administrative Executive

Legal Counsel

Ryan Warburton, Gilmore & Bell

Excused

Mike Pazzi left at 2:12pm
Amy Hawkins left at 1:30pm

Chair Koga convened the regular meeting of the Housing Authority of Salt Lake City (HASLC) at 11:52 a.m.

Roll Call of the Board Members present.

PUBLIC COMMENT

None

MOTION FOR APPROVAL OF THE HASLC COMMISSION MEETING MINUTES OF NOVEMBER 29, 2021

The Executive Director has provided each Commissioner with a copy of the written minutes of the November 29, 2021, Regular Commission Meeting. The Commissioners acknowledged they had sufficient time to review these minutes.

Board Chair Koga called for a motion.

Motion

Vice Chair Palmer moved to approve the HASLC Commission Meeting Minutes of November 29, 2021. Commissioner Davis seconded the motion. The motion passed unanimously with Commissioners Davis, Pazzi, DePaulis, Gust-Jenson, Hawkins, and Koga, voting in favor. There were no objections or abstentions.

NEW BUSINESS

- A) CONSIDER AND CONDUCT ELECTION OF OFFICERS FOR HASLC** for the positions of Commission Chair and Commission Vice-Chair respectively, then announce for the record. (attachments) Board Chair, General Counsel / *20 minutes*

Pursuant to the adopted Bylaws and amendments of the Housing Authority of Salt Lake City shall elect Officers, Vice Chair and Chair at this Annual meeting. Are there any nominations? I mean, we'd like to nominate Palmer to move from Vice Chair to Chair if he's interested. I know it helps to have some continuity, especially in the bigger issues that are going on. Ok, so Palmer DePaulis has been nominated for the Chair Position., are there any further nominations or is there anyone else who may be interested in serving? So, we need to ask you if you would be willing to accept the nomination. I have served this Chair once before and I would be glad to do it again. I know that there are so many new members on board right now, but I just want to know, you know, if anybody else has interests, I'm certainly open to just being a board member, but I will serve. Are there any further nominations?

Okay, if there's no further nominations, then I would take a vote that Palmer moves to Chair position. All those in favor say "I", any opposed? Congratulations, it has been voted on and Palmer DePaulis has accepted position of Chair. So next we will take nominations for the Vice Chair. So, I would like to make a nomination, and once again this is contingent to if anyone else would like to nominate or has interest in serving, but I would like to nominate Cindy Gust-Jenson for Vice Chair. Cindy Gust-Jenson has been nominated for Vice Chair, are there any further nominations? I will say the same thing as Palmer, I am available to serve and happy to and I have been Vice chair before, but if there is another member of the board who would like to serve, I would be happy to divert to them. Anyone else interested? Ok, well if there are no further nominations we will vote for Cindy Gust-Jenson to move to Vice Chair position. All those in favor say "I", any opposed? Congratulations, it has been voted on and Cindy Gust-Jenson has accepted position of Vice Chair. Brenda gave a gift to call board members and staff for all their help and support during her term as Chair.

B) APPROVE COMMISSION MEETING SCHEDULES FOR 2022. (attachments) Executive Director / 5 minutes

Daniel Nackerman, Executive Director

Commissioners, this is on page 22 of your package and it's also on the screen are bylaws and corporate documents talk about the for the fourth Monday of every month, we did a cursory check on particularly religious holidays, but if there is anything today those conflicts with these dates, that is, of course, trying to change them now, a reminder that we tried to take July as a no meeting date as well as December. And with that, we recommend approving the final meeting schedule. Has everyone had a chance to just look a glance at those meeting dates? Anyone see any potential conflicts or is there is this time frame that we're meeting in still work for everyone? There is an issue that the July 25th meeting is currently, I understand it may be cancelled, but I believe that's a state holiday. It's a state holiday with the 24th being a Sunday.

What should we do about that? OK, so when we've had holidays like that, we usually go to the week before or that Monday before. And that would be the 18th; does that work for everyone? OK, well, let's change that, I guess we'd have to change the motion because we'll change the date. I guess the motion can be amended. So, we would need someone to amend the motion to include the date of July 18th, Monday instead of July 25th. So, it's been moved and seconded and amended with the date of July 18th, which is a Monday before the 25th.

Motion

Commissioner Davis made amended motion to **APPROVE COMMISSION MEETING SCHEDULES FOR 2022**. Commissioner Koga seconded. The motion passed unanimously with Commissioners Davis, Pazzi, DePaulis, Gust-Jenson, Hawkins, and Koga, voting in favor. There were no objections or abstentions.

C) AUTHORIZE THE EXECUTION OF CONTRACT DOCUMENTS – AND RATIFICATION FOR THE WORKERS COMPENSATION PORTION - FOR ANNUAL INSURANCE WITH HAI AT A MAXIMUM AMOUNT OF \$242,457. (attachments) Executive Director, Internal General Counsel / 10 minutes

Daniel Nackerman, Executive Director

Commissioners, this is the annual renewal of our insurance. We did have to authorize and sign the liability coverage for January 1st. So, we're actually for ratification of that portion, along with approval to execute for all other areas. As you can see from the chart in your package on Page 23, the commercial liability has gone up slightly the premium for property insurance itself has gone down slightly since the workmen's compensation has actually gone down by \$6000 a year and the auto coverage has gone up very slightly. So, there's a total cost of \$242,547 for the housing authority portion. We're recommending the board authorize the Executive Director to renew its insurance program as outlined by ratifying the small one-month extension of the worker's comp, and the total premium costs are \$242,457. OK, thank you. We've actually talked about this company and so on in the other meetings, so I'll just open the floor to any other questions or any other issues. The worker's comp went down and usually worker's comp is related to staff turnover. As part of this, there was less staff turnover last year. Britnee, our Deputy Director manages that area and we just do better and better job every year on staying on top of worker's comp, training and education that avoids safety issues. It has been moved and seconded to authorize the execution of these contract documents for insurance for the housing authority.

Motion

Commissioner Pazzi made a motion to **AUTHORIZE THE EXECUTION OF CONTRACT DOCUMENTS – AND RATIFICATION FOR THE WORKERS COMPENSATION PORTION - FOR ANNUAL INSURANCE WITH HAI AT A MAXIMUM AMOUNT OF \$242,457**. Commissioners Koga and Davis seconded. The motion passed unanimously with Commissioners Davis, Pazzi, DePaulis, Gust-Jenson, Hawkins, and Koga, voting in favor. There were no objections or abstentions.

D) CONSIDER AND ACCEPT A REPORT ON THE 'NEW CITY PLAZA' PROJECT.
(attachments) Praxis Consulting / 12 minutes

Daniel Nackerman, Executive Director

In July of 2021, both the Board of the Housing Authority and the Board of Housing Connect, which is the county housing authorities name, decided to receive the same monthly report from one of the key consultants on the project. This is that monthly report. There's some pre-development highlights on Page 27 from November and December. Some of our key investors are marching along with a financial closing that was first scheduled for October, then November that December, February, and March. And I think now it will be extended even further. We do have a lot of weekly calls on a variety of areas, whether it's the particular type of lender enterprises, one of our key partners, it was a construction phase and the relocation schedule of a residence that we spent a lot of time on. There's, of course, the design at permit process. The plans were at 100% several months ago, but we're continuing to update those plans as construction costs rise. And as kind of the study of the details of existing plans, so on.

We also have continually changed the needs of project budget and schedule. I believe I highlighted in your package, if not, it's in mine that the project still works reasonably well financially, although it has changed a lot since its inception. There will be, let's say, at this point, roughly 3 to 5 million that is distributed to the housing authorities, at financial closing which we will go into some more detail about this next month, as well as somewhere between \$200,000 to \$500,000 a year annual cash flow. We have included some excerpts from some key documents that were completed since we last met, including the HUD loan primary loan documents, the 221(D)(4) the is the name of our primary loan that will be adding debt to the property for the first time since its existence. And again, these are excerpts in the package. There is kind of the key attachment with some excerpts on Page 37 dated January 6th of the present, the development budget, the sources, and uses of the; just a reminder that this is a tax-exempt bond financing with a 40-year average debt.

And it's a very complex, hard financing. There's two programs that we're using to take this out of public housing and put it into a more modern-day Section eight project-based voucher type project. Those two tools that HUD announced are the Rental Assistance Demonstration Program, or RAD plus section 18, which is ostensibly HUD's way to dispose of public housing. That's part of the attachments. There's also some sort of showing the escrow from the bond entity, there are some key emails that are included. Page 44, where the consultant states that the project still works reasonably well financially. And with that, I would suggest going into closed session. To discuss some more items after accepting this report, but I think for open sessions, that's an update on the new City Plaza joint project.

Motion

Commissioner Pazzi made a motion to **CONSIDER AND ACCEPT A REPORT ON THE 'NEW CITY PLAZA' PROJECT**. Commissioner Koga seconded. The motion passed unanimously with Commissioners Davis, Pazzi, DePaulis, Gust-Jenson, Hawkins, and Koga, voting in favor. There were no objections or abstentions.

E) CLOSED SESSION

There was a Closed Session at 1:17 p.m.

CLOSED SESSION

Motion to go back into Open Session at 2:25 p.m.

Motion

Commissioner Koga moved to go back into Open Session. Commissioner Davis seconded. The motion passed unanimously with Commissioners Davis, Pazzi, DePaulis, Gust-Jenson, and Koga voting in favor. There were no objections or abstentions.

F) CONSIDER AND ACCEPT MONTHLY FINANCIAL STATEMENTS through December 2021. (attachments) Deputy Executive Director, Finance Director / *10 minutes*

Daniel Nackerman, Executive Director

This is our year end draft financial statements, year-end for 2021. We hadn't met for a couple of months, so it's been very comforting that these year-end look spot on compared to the past months. A reminder that our budget is roughly \$45 million these days our income for all revenues so far this year, for that year, it's \$43,137,853. Our expenses are \$40 million to \$47. So we were, well, not only well, within budget, we were well within our projected budget for the year. One item of note is our public housing properties this is especially for the new commissioners as well. We've been phasing out of public housing the project we just talked about, it's another step of phasing out, but that our properties saw a net deficit of \$183,000, we had actually projected a deficit of \$225,000. So, this is a prime example of HUD not funding enough subsidy for these old buildings. I would say at one point we probably had 40 public housing sites, with 1500 units. We're going to be down to less than 400. With that, after City Plaza, we may even have, I think it's 250 units and we fully intend to dispose of those as well, so this deficit will be gone forever. With that, there's a spreadsheet for each of the types of programs with their projected and actual amounts.

Motion

Commissioner Pazzi made a motion to **CONSIDER AND ACCEPT MONTHLY FINANCIAL STATEMENTS** through December 2021. Commissioner Davis seconded. The motion passed unanimously with Commissioners Davis, DePaulis, Gust-Jenson, and Koga, voting in favor. There were no objections or abstentions.

G) AUTHORIZE AWARD OF A CONTRACTS TO 'BIO ONE' AND 'METH MOB' for methamphetamine decontamination services in the maximum annual amounts of \$45,000 and \$30,000 respectively. Deputy Executive Director

Daniel Nackerman, Executive Director

Board members, this is we do have, as you know, meth problems, physical meth problems, as well as lease related meth problems at some of our sites every year. We estimate that there's twenty-five to 40 units per year that need full remediation. Those units are often offline for a month or two, and we often are not allowed to, enter them ourselves, much less lease them out per the Salt Lake County Health Department. This you'll see at the top of that report, there's a new person here named Paul Wellington, who is in charge of our procurement. He did an excellent job with Joe Regan and Zac and others on our staff and putting this out to bid for sort of a master contract.

The invitation to bid was advertised and it included a list of our twenty-five properties, which included paying properties. We also advertised on the state of Utah's procurement website, and at least six local contractors and suppliers were solicited directly. In the response we received two viable proposals, they were ranked according to the criteria in your package and we're recommending that we actually award a contract to both of those firms. One is called 'Bio One' and the other is called 'Meth Mob.' We're recommending that the board authorize the President to select and enter into contract with Bio One at a maximum cost of \$45,000 per year as a primary meth decontamination contractor, and Meth Mob at a maximum cost of \$30,000 as a secondary contractor. This would be two-year contracts, with one-year extensions available for the same unit pricing. If they did try to raise the price, we would come back to the board.

Motion

Commissioner Pazzi made a motion to **AUTHORIZE AWARD OF A CONTRACTS TO 'BIO ONE' AND 'METH MOB'** for methamphetamine decontamination services in the maximum annual amounts of \$45,000 and \$30,000 respectively. Commissioner Davis seconded. The motion passed unanimously with Commissioners Davis, DePaulis, Gust-Jenson, and Koga, voting in favor. There were no objections or abstentions.

H) AUTHORIZE AWARD OF A CONTRACT TO 'FIX AND FINISH' for the replacement of 42 furnaces at the Canterbury Apartment property in a maximum amount of \$99,750. (attachments) Deputy Executive Director / 6 minutes

Daniel Nackerman, Executive Director

Canterbury Apartments is a 2-story, 77-unit complex that we have at 1841 West Morton Drive. In 2019, we replaced twenty-one of those seventy-seven furnaces and we intended to replace about 20 per year thereafter. But due COVID, budget and tenant disruption issues we were not able to replace any units in 2020 or 2021. So now we're catching up by replacing forty-two units in 2022. Once again Paul Wellington and Joe Regan did an excellent job of advertising this, and they're not directly soliciting for at least five local contracts. We received four viable proposals from the vendors and scored them, according to the published criteria.

Fix and Finish LLC received the highest score and demonstrated the best overall capacity and experience to fulfill the Scope of Work. They bid based on 42 units @ 2375.00 per unit with a total Not to Exceed \$99,750. We're recommending that the board authorizes the President or HASLC Executive Director to select and enter into a contract with Fix and Finish LLC for removal and replacement of 42 furnaces at Canterbury at a maximum cost of \$99,750, to be paid out as an operations expense at this time. We did not have that funding set aside from that property, so we intend to add that as an operational cost over the next month or two and then refill that budget, if you will, with some other available funding.

Motion

Commissioner Davis made a motion to **AUTHORIZE AWARD OF A CONTRACT TO 'FIX AND FINISH'** for the replacement of 42 furnaces at the Canterbury Apartment property in a maximum amount of \$99,750. Commissioner Koga seconded. The motion passed unanimously with Commissioners Davis, DePaulis, Gust-Jenson, and Koga, voting in favor. There were no objections or abstentions.

I) AUTHORIZE ADJUSTMENT OF CASH BALANCES in three (3) account areas. (attachments) Deputy Executive Director, Finance Director / 10 minutes

Daniel Nackerman, Executive Director and Kim Wilford, Deputy Executive Director

For two consecutive fiscal years, we had an audit finding in our area of pool cash where we weren't covering negative cash balances prior to our submissions in our financial studio. In one case, in the 2019, finding we finished it so late it was actually too late to correct because we finished it so late. It was kind of a really wild, unusual year where we were three or four months late. Then the following year a similar item happened and so now this year we're asking to rectify these from 2020 in three areas are Shelter Plus Care Program our Veterans Program and MOD Rehab Program, all of which have negative cash this year for specific reasons. So, we're

proposing in the case of Shelter Plus Care to cover those expenses from the management fund, for the case of the Veterans Program where there is a negative \$732,000, which is rolled over from year to year for several years, is to finally do an Intra-company Cashflow loan of \$732,000 to cover that. And then the third one MOD rehab is the negative \$301,750 we're really suggesting just paying that out of our own funds at this point while we do an internal audit on the project to try to find and rectify that funding. With that, I'll turn it over to Joe and Kim, who have worked very hard on this, especially in the last couple months. It's not too late to do this so that it won't be an audit finding. Historically, it was not a practice that we did and so this was a new finding.

So, the corrective action plan provides for the addition of "a layer of internal controls over cash, adding a step onto its year-end checklist for all programs. These are not just deficit spending that's being plugged in it's more of a managing negative balance of cash during the year and well, the negatives were not a surprise to us, the requirement to do that we've apparently done this for years without having a finding. The Veteran's Program is a good example going back to when we built Valor House; we've run a negative deficit in most programs upwards of half a million dollars, and through that program restructured it completely and we're out of the GPD program. The VA say those properties are now building up their cash balances, but still in the negative and we have never received an audit finding for that in the past. But just started in 2019 we did learn that it was an issue with the auditors so going forward we will bring those to the board and correct any negative cash issues. We run the agency with one big thing, so it's called pool cash system, so we want the property to have a negative balance; the others carry the cost.

Motion

Commissioner Pazzi made a motion to **AUTHORIZE ADJUSTMENT OF CASH BALANCES in three (3) account areas**. Commissioner Davis seconded. The motion passed unanimously with Commissioners Davis, DePaulis, Gust-Jenson, and Koga, voting in favor. There were no objections or abstentions.

J) RESOLUTION # 781-2022: ADJUST POLICIES TO PROVIDE FOR ZERO RENT FOR CERTAIN PREVIOUSLY HOMELESS PARTICIPANTS: (attachments) Deputy Executive Director, Deputy Director (attachments) *15 minutes*

Daniel Nackerman, Executive Director

We've had a briefing on this already, but you can go to our last meeting commissioners. We describe this where housing authorities nationwide can have zero to \$50 dollars as flat rent. For those residents that we house have almost no income or sometimes no income, we thought it was

prudent for the people coming out of homelessness that oh, so we have adopted a policy of \$50 minimum rent. We thought it was prudent for the homeless people that we house through project-based vouchers to go ahead and put that at zero because when they were coming in the door and we're even though we're the landlord we had to start telling them their rent was late and telling them they were under eviction, and it was really just adding to the crisis instead of self-helping and solving it. We looked at the bottom line and would probably actually cost us more money to continue to try to collect \$50 dollars from homeless people and administer it than it would just not collect it. So, the only reason it's back on the agenda is we didn't have a resolution and it's changing policy, so it needed a resolution.

Motion

Commissioner Davis made a motion to adopt **RESOLUTION # 781-2022: ADJUST POLICIES TO PROVIDE FOR ZERO RENT FOR CERTAIN PREVIOUSLY HOMELESS PARTICIPANTS** Commissioner Koga seconded. The motion passed unanimously with Commissioners Davis, DePaulis, Gust-Jenson, and Koga, voting in favor. There were no objections or abstentions.

REPORTS

A) KEY PERFORMANCE INDICATOR, PROPERTY MANAGEMENT

Daniel Nackerman, Executive Director and Zac Pau'u, Director of Homeless Programs

Board members, this this report gets more and more refined every month for both the Housing Authority and HAME entities, Zac and his staff, who are really on an upward trend on these metrics, which slipped quite a bit during COVID, but that wasn't the only reason, but that was the primary reason. We also give kind of what the actual metric is as an example in this very first KPI. Our goal is to have more than 95% occupancy for stabilized properties, and as you can see, we're at 92% overall, and of course, some of these properties are 98% full and some are 90%. So, we are aware of the sort of specifics. But with that, I guess I'll have Zac just go through these for your information. Being 3% off of our established metric for occupancy is not quite yet something to celebrate, but we're headed there.

You can also see on our days vacant that we set a metric of 20 days; so, in 20 days the unit will be turned over and ready and released. We're sitting at 36 now, so we're on our way. Our big focus has been our aged receivables with the eviction moratorium. And I'm happy to report since our last meeting, we have increased eviction prevention funds received by the Housing Authority by nearly \$235,000 for a total of \$597,257 today from the various sources listed on here. We also have \$143,874 in payback agreements for tenants who, as depicted in the chart here, have been denied or are not eligible for some of these funding. We did see an uptick of newly indebted tenants for the months of November and December that we're attributing, largely due to recent spikes in COVID as well as the holidays. And that's something our tenants

typically, ready to rent holiday times when they fall behind. But we're continuing and engaging with the same aggressive approach to getting these newly indebted tenants into the program or other funding sources that might we assist them being current.

B) VOUCHER UTILIZATION REPORT: SECTION 8 DIRECTOR

Jackie Rojas, Director Section 8 and Daniel Nackerman, Executive Director

This is, as you know, a very important report on whether we're housing all the people we can within the number of vouchers HUD gives us. Also, spending all the money we can to house them without going over. Jackie leads this department; we scrambled near year end because we were under leased and underspent in certain areas. We did catch up to be at about 90% of the number of vouchers that's available. And we've reached 101% percent of the budget authority, so we're fine for the year. We do have some reserves to plug in and the cost overruns; so, I think if we had to do over, we'd probably lease even more aggressively. But this this was a concerted effort for the last six months of the year not to understand and underutilized. And we're pretty close to being balanced out here.

B) EXECUTIVE DIRECTOR UPDATE: EXECUTIVE DIRECTOR

Anyway, we are thrilled that we were able to gain entry into the Moving to Work program. To put in perspective, the 3,300 housing authorities for many years, only 39 were available to be in the program of 3,300. Congress extended that number to 100. I actually helped with that congressional action back in those days to expand it to a 100. And HUD is finally filling up those 100 slots; so, when push comes to shove, we'll be 139 agencies out of 3,300. By now, almost every housing agency wants in our cohort, which is now HUD, now says you have to focus on one area with these instead of just a broad area. Our cohort is landlord incentives, which essentially need to find ways to attract landlords in Section 8, find ways to keep landlords, to find ways to make it easier for landlords to be involved; and because we had done excellent work in our landlord programs that used to be funded by the state and the city, I want to point out that both the state and the city have withdrawn their funding from us and placed it more in the homeless shelters.

But that said, it created enough of a track record under Jonathan, Zac, Kim, Jackie, and Britnee's leadership and that means that we that I think that really helped us give in. Also, Britnee led a congressional, even back in the Senator Hatch days, we did plenty of information; coaching two, our representative officials in Washington, D.C., they were actually moving to work experts and their colleagues knew nothing about it, whether it's Mia Love or Senator Hatch or even Congressman Owens. And then finally, Zac took the lead in applying for MTV. We were kind of disenchanted as to how much chance we had, and Zac led the way anyway, so I'm going to

forward, the past chair, vice chair, as well as the president, all of the congratulations were received from all over the country. This is a big deal. It was a demonstration program and still is meaning it's not even a real program and HUD originally put it out there, I think it's 14 years ago to have some housing authorities experiment as if they were not regulated, especially at that time in the areas of resident services. And I believe there was only 32 allowed at that time, but the agencies that got it; they were big agencies only.

Not much happened to those agencies, then people realized you can actually like, combine your funding sources, right now the rent systems are if someone's income goes up, their rent instantly goes up. You can actually change that structure. There's a few statutory requirements; however sadly, you can't house different populations once you get it in other words you can't say we're going to now house 70 to 80% AMI, therefore, we won't need much subsidy, therefore we'll have a whole bunch of money. So, there's certain statutory requirements we can't change, but we essentially can rewrite HUD regulations to fit us, we have to put it in the plan once a year, and HUD blesses those plans. But it's a broad deregulation of everything we you know, operate under. And it creates instant efficiencies, so let's just take fungibility, we take our section 8 fund and combine it with public housing.

Now there's 50 percent of the reports that are required that we can't even do because they don't exist anymore; so, they only give it to really trusted housing authorities or ones that show a lot of creativity. And then we're all the other agencies are supposed to learn from this kind of experimental broad deregulation. It essentially allows you some flexibility to experiment with things that hopefully make the program more efficient. Yeah, it's proven to be really helpful to the areas you know, it's a very organized group of MTW agencies, and there's been some powerful things; like connections with schools, where housing, you know, the parents in the school and the kids are all tracked and incentivized, etc.

So, if you do have time, it's worth just looking at what other agencies have done. More money doesn't come with this, and that's another kind of statutory thing you have to abide by. You can't start losing money because you're in this, you still have to, you know, maintain physical stability. We have a small thing that we're going to have to bring to the board, the county wants us to cancel a lease. They pulled out the senior services from our site and now they're saying, oh, by the way, we still have to pay you another two years. Please cancel your lease, and I don't know; I guess maybe I could talk to the chair and vice chair and see if that's wise.

C) PAST BOARD CHAIR REPORT: CHAIR

There was nothing to report.

The HASLC Meeting adjourned at 2:25 p.m.

Palmer DePaulis, Board Chair

Daniel Nackerman, Executive Director

DRAFT

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY THIS 28TH DAY OF FEBRUARY, 2022.

Board Chair

Executive Director

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Dan Nackerman and Kim Wilford

Department: Executive

Subject: **RESOLUTION # 783-2022 Cambridge Cove Refinancing Documents Omnibus Approval**

Date: February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Cambridge Cove Apartments, built in 1985, consists of 71 2-bedroom/2-bathroom apartment units. The property was purchased in 2002 by the Housing Authority of Salt Lake City (HASLC) utilizing bond financing in addition to Salt Lake City Community Development Block Grant loans and HASLC intercompany debt. The Cambridge Cove bond has a final balloon payment due March 1, 2022.

A refinance is recommended with a conservative LTV, below market Fannie Mae financing that will pay off past debt and create funds for future improvements or to stimulate other development. HAME and HASLC can:

- Continue to operate with fiscal success.
- Draw out some “equity” funding of approximately \$2.2 million.
- Pay off all existing loans.

A summary of the project and existing financing follows:

Cambridge Cove Apartments- 71 Units

Built: 1985

Buildings: 3-story wood frame w/brick and vinyl facing

Approximate Existing Debt:

- US Bank Bond - \$1,287,000
- SLC Funds - \$338,000
- SLC CDBG Funds - \$92,700
- HASLC Intercompany - \$217,000

NEXT STEPS:

Several months ago, the HASLC Commission approved the ranking, qualifications, and selection of JLL Real Estate Capital, LLC (JLL) for the refinancing of the two Jefferson School Apartment properties from an RFQ issued to solicit lenders. Cambridge Cove has been added to the solicitation issued at that time to streamline the timing on this similar refinance.

JLL provided staff with quoted options for the Cambridge Cove property with loan terms ranging from 10 years to 30 years and interest rates ranging from 3.51% to 4.11%.

After reviewing the available options and their associated terms, and also seeing the current trend of increasing interest rates and tightening financing terms, staff are recommending Cambridge Cove Apartments enter into a Rate Lock Agreement with the lender and commit the refundable good faith rate lock deposit of \$84,200. Rate lock would be dependent on completion of the loan application requirements by March 31, 2022. The loan structure is a 10 year note at approximately 4.18% interest with a loan amount of \$4,210,000

Additionally, to accomplish the transaction Cambridge Cove Apartments desires to hold its property and improvements under HASLC with a lease of the property to a new Cambridge Cove Apartments, LLC., with HAME as its sole and managing member. This will ensure real estate tax abatement. This structure may require HASLC to provide the appropriate guarantees.

CONCLUSION:

The refinance will add new debt structures that brings significant financial advantages including the consolidation of debt, lowering of interest rates, and procuring additional capital for improvements of the property or to stimulate more development. These advantages give HASLC and its entities an opportunity to maintain Cambridge Cove Apartments using sound fiscal policy for many years to come.

RECOMMENDATION:

Approve Resolution 783-2022 authorizing the Executive Director to negotiate final loan terms, execute all certificates, documents, and other agreements to refinance the Cambridge Cove property through JLL, Inc. and Fannie Mae debt.

RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF SALT LAKE CITY
CAMBRIDGE COVE APARTMENTS REFINANCING
RESOLUTION # 783-2022

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY (“HASLC”) APPROVING AND AUTHORIZING ITS EXECUTIVE DIRECTOR TO EXECUTE DOCUMENTS TO WHICH IT IS A PARTY, AS ARE FURTHER DETAILED IN EXHIBIT A TO THIS RESOLUTION, AND TAKE ANY ACTION ON BEHALF OF HASLC FOR THE PURPOSE OF: (I) APPROVING A MASTER LEASE OF A HOUSING PROJECT KNOWN AS CAMBRIDGE COVE APARTMENTS (FKA KINGSWOOD APARTMENTS), CONSISTING OF 72 UNITS OF RENT AND INCOME RESTRICTED MULTIFAMILY HOUSING (THE “PROPERTY”) BETWEEN HASLC AND CAMBRIDGE COVE, LLC (THE “COMPANY”), A WHOLLY OWNED ENTITY OF HOUSING ASSISTANCE MANAGEMENT ENTERPRISE; (II) AUTHORIZING HASLC AND/OR HAME TO GUARANTY CERTAIN LIMITED OBLIGATIONS OF THE COMPANY; AND (III) TO TAKE ALL OTHER ACTIONS NECESSARY TO BE TAKEN TO COMPLETE THE TRANSACTIONS CONTEMPLATED HEREIN (THE “TRANSACTION”); RATIFYING ALL ACTIONS OF HASLC IN CONNECTION WITH THE TRANSACTION TO DATE; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY BY HASLC FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

WHEREAS, the Housing Authority of Salt Lake City (“HASLC”) is a Utah public body corporate and politic and Housing Assistance Management Enterprise (“HAME”) is a Utah nonprofit corporation and is an instrumentality of HASLC; and

WHEREAS, HAME is the sole and managing member of Cambridge Cove, LLC, a Utah limited liability company (the “Company”); and

WHEREAS, HASLC desires to restructure and refinance its current indebtedness on the project known as Cambridge Cove Apartments (fka Kingswood Apartments), consisting of 72 units of affordable housing (the “Transaction”) and will achieve this with the Company entering into a fixed rate loan as borrower (the “Loan”) pursuant to a Multifamily Loan and Security Agreement (Non-Recourse) and other related documents with JLL Real Estate Capital, LLC and/or Fannie Mae, their successors and/or assigns, as their interests may appears (the “Lender”); and

WHEREAS, in order to accomplish the Transaction, HASLC, pursuant to the terms of a Master Lease, will lease its property and all improvements located at 1754 West 1300 North, Salt Lake City, Utah, consisting of 72 units (the “Property”) to the Company; and

WHEREAS, in order to accomplish the Transaction, it is necessary that the Executive Director of HASLC execute and deliver the documents to which it is a party related to the Transaction as they are described on Exhibit A attached hereto (the “Transaction Documents”); and

WHEREAS, the Board of Commissioners desires to approve the execution and delivery by HASLC of the Transaction Documents, and all actions of HASLC in connection with and for the completion of the Transaction;

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 (1) enter into, execute, and deliver the Transaction Documents, (2) enter into, execute, and deliver any and all other documents required in connection with the lease of the Property to the Company and (3) take all other actions necessary to complete 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, on behalf of itself or on behalf of the Company, in connection with the Transaction or any other matter set forth in this Resolution including, but not limited to, the execution and delivery or furnishing of documents and materials by HASLC is 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 or his designee is 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 his designee and HASLC’s legal counsel, provided the terms of the documents are not inconsistent with the provisions of this Resolution and the rules and bylaws of HASLC or the Company; and it is further

RESOLVED that HASLC’s Executive Director or his 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.

EXHIBIT A

Transaction Documents

Loan Documents:

1. Loan Commitment between the Company and Lender
2. Rate Lock Agreement between the Company and Lender
3. Multifamily Loan and Security Agreement (Non-Recourse) (including any schedules or exhibits) between the Company and Lender
4. Multifamily Note by the Company to Lender
5. Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing by the Company for the benefit of Lenders
6. Uniform Commercial Code Financing Statements by the Company for benefit of Lender
7. Assignment of Management Agreement by and among the Company, Lender and property manager
8. Environmental Indemnity Agreement by the Company to and for the benefit of Lender
9. Guaranty of Non-Recourse Obligations by HAME and/or HASLC as guarantor to and for the benefit of Lenders
10. Compliance Agreement for Mold Operations and Maintenance Plan by and between the Company and Lender, as applicable
11. Compliance Agreement for Asbestos Operations and Maintenance Plan by and between the Company and Lender, as applicable
12. Compliance Agreement for Lead-Based Paint Operations and Maintenance Plan by and between the Company and Lender, as applicable
13. Subordination Agreement (Affordable) among Lender, the applicable subordinate lender and the Company, as applicable
14. Subordination, Non-Disturbance and Attornment Agreement by and among the Company, Lenders and project tenants, as applicable
15. Tax Authorization Form by the Company

Transfer & Lease Documents:

1. Master Lease between HASLC and the Company for the Property

Any and all other documents or agreements contemplated by the other Transaction Documents or necessary to complete the Transaction

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Daniel Nackerman/Kim Wilford

Department: Executive

Subject: **Resolution # 784-2022 Authorizing the Submission of Moving To Work Amendment to the Annual Contributions Contract (s) (MTW ACC) to the Public Housing and Housing Choice Voucher ACC's.**

February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Moving to Work (MTW) is ostensibly a broad waiver of the U.S. Department of Housing and Urban Development (HUD) regulations at each local level so that a housing authority can customize the often cumbersome, one-size-fits-all federal programs to fit the Salt Lake City area in this case. This ultimately results in streamlined work and efficiency in areas such as assisting the homeless, creating new homeownership, incentivizing employment, improving air quality, stimulating private rental businesses, and developing new properties.

Approval of the MTW designation is a competitive process wherein only 139 of the 3500 Public Housing Authorities throughout the country that exist will participate in this program. HASLC and its instrumentalities, HAME and HDC, worked for five (5) years to gain entry, often advocated for by Congressional members such as Senator Hatch, Congresswoman Love, Senator Romney, Congressman McAdams, Congressman Owens, Congressman Stewart, Congressman Curtis, Congressman Diaz-Ballart (FL), Congressman Aguilar (CA) and others as well as State Senator Kitchen, State Senator Anderegg, Salt Lake City Mayor Mendenhall, Salt Lake County Mayor Wilson, and HUD representatives in Salt Lake City, Denver and D.C.

HASLC received its letter of entry award on January 27, 2022. (Attachment A) You as the Board of Commissioners of HASLC, appointed by Mayor Erin Mendenhall with the Salt Lake City Council, will direct these new tools into policy successes over the coming years.

ANALYSIS:

An Annual Contributions Contract (ACC) is a written long term funding contract between HUD and a PHA. Under the ACC, HUD agrees to make payments to the PHA over a specified term for housing assistance payments to owners, for the PHA administrative fee, Public Housing Subsidy and other funding. The ACC specifies the maximum payment over the ACC term.

The MTW Amendment to the Annual Contributions Contract (Attachment B) must be amended for the PHA's designation as an MTW agency. The amendment sets the term of participation and details the requirements and covenants for a PHA to follow in the MTW Operations Notice and the PHA's respective Selection Notice, which will also detail "cohort" study obligations. It also outlines the possibility of a transition out of the demonstration and HUD's recourse provisions in the case of a PHA's default.

As a participant in the MTW demonstration, HASLC must operate in accordance with the express terms and conditions set forth in the MTW Operations Notice. The MTW Operations Notice may be superseded or amended by HUD at any time during the twenty-year MTW term. HASLC will cooperate fully with HUD and

its contractors for the duration of the HUD-sponsored evaluation of the cohort of the MTW Expansion for which HASLC was selected and shall comply with all aspects of its Cohort Study as outlined in the selection notice under which the PHA was designated.

HASLC is only exempted from specific provisions of the Housing Act of 1937 (“the Act”) and its implementing regulations as specified in the MTW Operations Notice. Each such exemption also extends to sub-regulatory guidance to the extent that the sub-regulatory guidance implements the provisions of the Act, or its implementing regulations exempted pursuant to the MTW Operations Notice.

HASLC remains subject to all other applicable requirements including, but not limited to, those in Title 24 of the Code of Federal Regulations and Title 42 of the U.S. Code, Appropriations Acts, OMB Approval No. 2577-0294 (exp. 8/31/2023) Form HUD-50166 Annual Contributions Contracts, notices of funding availability under which the PHA has received funds, and the applicable requirements listed in the MTW Operations Notice (collectively, “the Requirements”), as they may be amended or implemented in the future.

Accordingly, if any Requirement, other than the provisions of the Act and its implementing regulatory requirements or sub-regulatory guidance exempted pursuant to this MTW ACC Amendment and the MTW Operations Notice, conflicts with any exemption or authorization granted by this MTW ACC Amendment, the MTW Agency remains subject to that Requirement.

PROCESS:

The first day of the month following execution of the MTW ACC Amendment by HUD will be HASLC official entry date to the MTW Demonstration Program. Upon approval of this Resolution, the Moving to Work Amendment to Annual Contributions Contract will be signed and submitted to HUD for review and execution. It is anticipated that HUD will review, execute and date the MTW ACC amendment and return the document to HASLC by the end of March 2022.

REQUEST/RECOMMENDATION:

Adopt Resolution # 784-2022 authorizing the execution of the MTW ACC amendment by the Executive Director.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

January 27, 2022

Daniel Nackerman
Executive Director and President
Housing Authority of Salt Lake City
1776 So. West Temple
Salt Lake City, UT 84115

Dear Executive Director and President Nackerman:

Congratulations! I am pleased to inform you that the Department of Housing and Urban Development (HUD) has selected the Housing Authority of Salt Lake City for admission to the Landlord Incentives Cohort of the Moving to Work (MTW) Demonstration Program.

You are one of 29 agencies that has been selected because of your excellent work and your desire to be even more effective in supporting low-income individuals and families. MTW allows your agency to exercise administrative flexibilities to respond to the unique needs of your community.

The Fiscal Year 2016 Appropriations Act, Public Law 114-113 (2016 MTW Expansion Statute) authorizes HUD to expand the MTW Demonstration Program by an additional 100 agencies over seven years. In January 2021, HUD invited public housing authorities to submit applications for admission into the Landlord Incentives Cohort of the MTW Expansion.

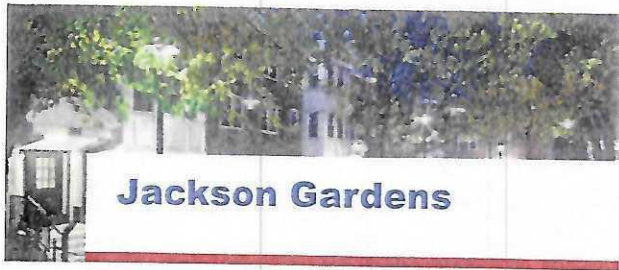
MTW Program Director Marianne Nazzaro will be in touch with you to advise you of the next steps for admission into the program. We look forward to working with you in this cohort.

Congratulations again on your selection!

Sincerely,

A handwritten signature in black ink, appearing to read "Dominique Blom".

Dominique Blom
General Deputy Assistant Secretary
Office of Public and Indian Housing



Moving to Work Demonstration Program

Moving to Work (MTW) is a demonstration program for public housing authorities (PHAs) that provides them the opportunity to design and test innovative, locally designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. MTW allows PHAs exemptions from many existing public housing and voucher rules and provides funding flexibility with how they use their Federal funds. PHAs in the MTW demonstration have pioneered a number of innovative policy interventions that have been proven to be successful at the local level, and subsequently rolled out to the rest of the country's PHAs. Currently, there are 80 MTW PHAs nationwide and HUD plans to expand the program to an additional 59 PHAs by 2022.

MTW Expansion Information

Updated January 27, 2022

HUD is thrilled to announce that seventy (70) agencies, representing communities across the nation, have been selected for the expansion of the MTW Demonstration Program. Additionally, in the spring of 2022, HUD anticipates publishing the Selection Notice for the Asset Building Cohort. PHAs interested in joining the MTW Demonstration Program and other interested individuals can find everything they need to know about the MTW Expansion by going to the [MTW Expansion webpage](#). Additional links can also be found in the right side navigation panel on that page.

What's New with MTW

Announcement of MTW Expansion Landlord Incentives Cohort

January 27, 2022

HUD announced the Landlord Incentives cohort of the expansion of the Moving to Work (MTW) Demonstration Program. Through this cohort, HUD will evaluate landlord incentives and their impact on participation in HUD's Housing Choice Voucher Program to improve residents' ability to use vouchers in their community. With the addition of the 29 PHAs selected for this cohort, HUD will have added a total of 70 PHAs to the MTW

Demonstration Program since January 2021. MTW PHAs are now in 38 states and the District of Columbia. MTW encourages an entrepreneurial spirit to think of and create solutions in a new way. MTW agencies have directly influenced national policy for 25 years, paving the way for the future delivery of federally assisted housing. PHAs in the MTW demonstration have pioneered several innovative policy interventions that have been successful at the local level, and subsequently rolled out to the rest of the country's PHAs. This latest cohort focused on landlord incentives continues this tradition of policy innovation benefiting residents of HUD-assisted housing. Interested PHAs will be able to apply to a future cohort in Spring 2022, when HUD will invite small- and medium-sized PHAs to apply to a cohort that will evaluate asset-building initiatives.

Updated Special Purpose Vouchers Guidance for MTW Agencies

August 5, 2021

HUD has updated its questions and answers guidance on Special Purpose Vouchers (SPVs) that are administered by MTW agencies. The document covers various topics related to SPVs, such as MTW fungibility, applying MTW program flexibilities, reporting requirements, and new SPV types including Emergency Housing Vouchers (EHVs) and Mobility Vouchers. HUD will continue to update this document as new SPV types are authorized and if any changes are needed for SPVs administered by MTW agencies. The updated SPV Q&A guidance can be found on the [Policy Guidance page](#) or [here](#).

MOVING TO WORK (MTW) FAQ

Frequently Asked Questions

- Can individual families participate in MTW?
- What are MTW agencies permitted to do under MTW?
- What is the MTW "Block Grant" approach?
- Do PHAs in the MTW Demonstration receive additional funding?
- What kinds of activities have MTW Agencies implemented?
- Who is Participating?
- Is the MTW Demonstration being evaluated? What are the results to date?
- How do MTW Agencies measure and report on their activities?
- How does HUD know if an MTW activity works, and what happens if it doesn't?
- How are MTW PHAs selected?

Can individual families participate in MTW?

No. Only Public Housing Agencies (PHAs) can participate in MTW.

What are MTW agencies permitted to do under MTW?

PHAs selected for the demonstration are permitted to seek exemption from many existing Public Housing and Housing Choice Voucher program rules found in the United States Housing Act of 1937 in pursuit of the three MTW statutory objectives:

- Reduce cost and achieve greater costs effectiveness in Federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for low-income families.

PHAs in the MTW Demonstration also have the flexibility to combine Federal funds from the public housing operating and modernization programs and Housing Choice Voucher program into a "block grant" to help them better meet the purposes of the demonstration and the needs of their communities.

While MTW agencies have considerable flexibility, they must still abide by all other federal rules and regulations, including the Fair Housing Act, the Civil Rights Act, labor standards, environmental rules, procurement guidelines, demolition and disposition procedures and relocation regulations. For all activities that

affect their residents' rent payments, PHAs must also conduct an impact analysis that recognizes the unforeseen circumstances that may affect their residents and develop an appropriate hardship policy. These safeguards help minimize any potentially negative impact of MTW on residents and communities.

What is the MTW "Block Grant" approach?

MTW PHAs are permitted to combine their Public Housing Operating and Capital funds and Housing Choice Voucher funds and use these funds interchangeably. For example, an MTW agency could use public housing capital funds to issue additional vouchers or use voucher funds to develop more public housing to better fit the needs of its community.

MTW agencies also have the authority to use their funds to implement innovative policies that go beyond these two traditional forms of housing assistance to serve more low-income families. For instance, an MTW Agency can use funds from its block grant to replace decaying public housing with mixed-income communities, increase the percentage of project-based vouchers to bring more affordable housing to compact markets, and reach special needs populations through the use of provider-based vouchers paired with supportive services.

The caveat to this flexibility is that MTW PHAs "assist substantially the same total number of eligible low-income families as would have been served had the funding amounts not been combined." This provision helps ensure accountability of MTW agencies to HUD and their communities. In most cases, more families are served when an MTW Agency shifts funds between programs through the use of the MTW block grant.

Do PHAs in the MTW Demonstration receive additional funding?

No. Under the MTW Demonstration, PHAs receive funding that is equivalent to what they would have received had they not participated in MTW.

What kinds of activities have MTW Agencies implemented?

MTW Agencies can only use MTW flexibility in pursuit of the three MTW statutory objectives. Below is a list of the kinds of activities that MTW PHAs have implemented, organized by statutory objective.

Cost Savings

- Using the MTW block grant to leverage funds
- Streamlining HUD processes
- Redesigning HUD forms
- Risk-based inspections
- Rent simplification

Self Sufficiency

- Linking rental assistance with supportive services
- Escrow accounts
- Earned income exclusions
- Increased case management services
- Self sufficiency requirements

Housing Choices

- Developing mixed-income and tax credit properties
- Foreclosure prevention, mortgage assistance and homeownership programs
- Increasing the percentage of project-based vouchers

Who is Participating? 109

There are currently 39 PHAs participating as MTW demonstration sites. The last four PHAs that were selected was in 2012 pursuant to PIH Notice 2012-16. These are: the Housing Authority of Columbus, Georgia; the Fairfax County Redevelopment and Housing Authority; the Holyoke Housing Authority; and the Reno Housing Authority.

**Note: Two of the original MTW PHAs are no longer participating.*

Is the MTW Demonstration being evaluated? What are the results to date?

Yes. HUD recently submitted a report to Congress titled, *Moving to Work: Interim Policy Applications and the Future of the Demonstration*. The report finds that MTW status provides Public Housing Agencies the flexibility to fund and design unique strategies to address local needs. This has produced significant successes such as allowing MTW Housing Agencies to serve additional families, improve residents' quality of life and preserve public housing.

A Congressionally-mandated evaluation by the Urban Institute of the MTW Demonstration, covering the earliest MTW agencies, was delivered to Congress in January 2004.

The Promising Practices Reports for each PHA also offer a snapshot of the successes of each MTW Agency.

How do MTW Agencies measure and report on their activities?

Recognizing that MTW Agencies operate differently from other PHAs, MTW Agencies have different reporting requirements that allow HUD to learn from their activities. Unlike other PHAs, MTW PHAs are required to submit a comprehensive framework for their MTW program in their Annual MTW Plans and Reports to HUD, which includes outcome measures for all proposed activities and reports on the progress of all MTW activities. The purpose of the Annual MTW Plans and Reports is to provide local stakeholders and HUD with a clear understanding of the Agency's activities. In addition to MTW Plans and Reports, MTW Agencies are also required to report into most of the same HUD reporting systems as other PHAs.

Though HUD approves MTW Plans and Reports, HUD approval does not supersede any of the terms of an agency's Moving to Work Agreement, and the approval does not necessarily constitute an endorsement of any particular policies described in an agency's Plan.

The Standard MTW Agreement (also known as the Amended and Restated MTW Agreement), executed in 2008, standardized reporting requirements for all MTW Agencies and allowed for better cross-site comparisons. For all activities, MTW PHAs now outline baselines, benchmarks, and data collection methods to measure the progress of each activity in meeting the three MTW statutory objectives.

In 2009, HUD developed an internal database designed to capture information from Annual MTW Plans and Reports that will eventually allow HUD to analyze the types of activities implemented by MTW agencies and to track reporting metrics within and across agencies. At this time the database has not been fully developed due to a lack of resources. A full-time staff is dedicated to monitoring MTW agencies, working with them to measure the impacts of their activities and providing them with technical assistance.

How does HUD know if an MTW activity works, and what happens if it doesn't?

Because MTW PHAs differ in terms of size and communities served, there is no one standard measure of success for all MTW activities. Each MTW Agency outlines its own measures of success, based on local and community standards, in its Annual MTW Plans and reports on their progress in their Annual MTW Report.

Because the purpose of a demonstration is to replicate successes and learn from failures, punishing agencies for unsuccessful practices would prevent agencies from implementing untested, innovative activities. MTW agencies are, however, expected to explain discrepancies between intended and actual outcomes, change

eliminate an activity if necessary, and report on challenges faced so that HUD can learn from their experience.

How are MTW PHAs selected?

Only Congress has the power to authorize the addition of new slots in the MTW demonstration. In some cases, Congress has authorized specific PHAs to become part of MTW, and in others, Congress has authorized HUD to select the agencies through its own processes. When HUD is responsible for the selection of new MTW PHAs, HUD issues a Notice with criteria for admission and evaluates applications in a competitive process.

RESOLUTION NO. 784-2022

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY
(HASLC) APPROVING**

- 1) THE HOUSING AUTHORITY'S SUBMISSION OF THE MTW ACC AMENDMENT TO THE PUBLIC HOUSING AND HOUSING CHOICE VOUCHER ACCs**
- 2) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY TO EXECUTE ANY DOCUMENTS REQUIRED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO EXECUTE THE MTW ACC AMENDMENT TO THE PHA ANNUAL PLAN**

WHEREAS, The U.S. Department of Housing and Urban Development (HUD) has selected the Housing Authority of Salt Lake City to participate in the Move to Work (MTW) Demonstration Expansion, to design and test new ways of providing housing assistance and services to low-income households;

WHEREAS, To complete the Housing Authority of Salt Lake City's entry into the MTW Demonstration Expansion program, the Housing Authority of Salt Lake City must fully execute the MTW ACC Amendment to the Public Housing and Housing Choice Voucher Annual Contributions Contracts;

WHEREAS, The draft MTW ACC Amendment was made available and shared with the Board of Commissioners on January 28, 2022, and the Board of Commissioners has examined and approved the same as to form and content.

NOW THEREFORE be it resolved that the Board of Commissioners of the Housing Authority of Salt Lake City approves:

1. The MTW ACC Amendment.
2. The Board of Commissioners authorizes the Authority's Executive Director to sign and submit the MTW ACC Amendment to HUD.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY ON THIS 28TH DAY OF JANUARY 2022.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Board Chair

Approved as to form by:

Gilmore & Bell, P.C.

Executive Director

MOVING TO WORK AMENDMENT TO ANNUAL CONTRIBUTIONS CONTRACT(S)

Section 1. This Moving to Work (MTW) Amendment to the Annual Contributions Contract(s) (MTW ACC Amendment) is entered into between the United States Department of Housing and Urban Development (“HUD”) and Housing Authority of Salt Lake City - 004 (the “Public Housing Agency, “PHA”).

Section 2. This MTW ACC Amendment is an amendment to any Annual Contributions Contract(s) (“ACC”) or Annual Contributions Terms and Conditions (“ACC”) in effect between the PHA and HUD for the Public Housing and Housing Choice Voucher programs.

Section 3. The ACC is amended in connection with the PHA’s designation as a participant in the expansion of the MTW demonstration pursuant to Section 239 of the Consolidated Appropriations Act, 2016, P.L. 114-113; 129 Stat. 2897 (2016 MTW Expansion Statute) and Section 204 of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996, P.L. 104-134; 110 Stat. 1321-281 (1996 MTW statute). The PHA’s participation in the expansion of the MTW demonstration shall be governed by the MTW Operations Notice for the Expansion of the Moving to Work Demonstration as it is issued as it and may be amended in the future, or any successor notice issued by HUD, (“the MTW Operations Notice”).

Section 4. The term of this amendment shall be for 20 years from the beginning of the PHA’s first full fiscal year following execution by the PHA and HUD; or, until termination of this amendment, whichever is sooner.

Section 5. Requirements and Covenants

(A) As a participant in the MTW demonstration, the PHA must operate in accordance with the express terms and conditions set forth in the MTW Operations Notice. The MTW Operations Notice may be superseded or amended by HUD at any time during the twenty-year MTW term.

(B) The PHA will cooperate fully with HUD and its contractors for the duration of the HUD-sponsored evaluation of the cohort of the MTW Expansion for which the PHA was selected and shall comply with all aspects of its Cohort Study as outlined in the selection notice under which the PHA was designated.

(C) The PHA is only exempted from specific provisions of the Housing Act of 1937 (“the Act”) and its implementing regulations as specified in the MTW Operations Notice. Each such exemption also extends to subregulatory guidance to the extent that the subregulatory guidance implements the provisions of the Act or its implementing regulations exempted pursuant to the MTW Operations Notice. The PHA remains subject to all other applicable requirements including, but not limited to, those in Title 24 of the Code of Federal Regulations and Title 42 of the U.S. Code, Appropriations Acts,

Annual Contributions Contracts, notices of funding availability under which the PHA has received funds, and the applicable requirements listed in the MTW Operations Notice (collectively, “the Requirements”), as they may be amended or implemented in the future. Accordingly, if any Requirement, other than the provisions of the Act and its implementing regulatory requirements or subregulatory guidance exempted pursuant to this MTW ACC Amendment and the MTW Operations Notice, conflicts with any exemption or authorization granted by this MTW ACC Amendment, the MTW Agency remains subject to that Requirement.

Section 6. At least one year prior to expiration of this MTW ACC Amendment¹, the PHA shall submit a transition plan to HUD. It is the PHA’s responsibility to be able to end all MTW activities that it has implemented through its MTW Supplement to the PHA Plan upon expiration of this MTW ACC Amendment. The transition plan shall describe plans for phasing out such activities. The plan may also include any proposals of authorizations/features of the ACC Amendment and the MTW Operations Notice that the PHA wishes to continue beyond the expiration of the MTW ACC Amendment. The PHA shall specify the proposed duration and shall provide justification for extension of such authorization/features. HUD will review and respond to timely-submitted transition plans from the PHA in writing within 75-days or they are deemed approved. Only authorizations/features specifically approved for extension shall continue beyond the term of the MTW ACC Amendment. The extended features shall remain in effect only for the duration and in the manner specified in the approved transition plan and be subject to any necessary ACC Amendments as required by HUD.

Section 7. Termination and Default

(A) If the PHA violates or fails to comply with any requirement or provision of the ACC, including this amendment, HUD is authorized to take any corrective or remedial action described in this Section 7 for PHA default or any other right or remedy existing under applicable law, or available at equity. HUD will give the PHA written notice of any default, which shall identify with specificity the measures, which the PHA must take to cure the default and provide a specific time frame for the PHA to cure the default, taking into consideration the nature of the default. The PHA will have the opportunity to cure such default within the specified period after the date of said notice, or to demonstrate within 10 days after the date of said notice, by submitting substantial evidence satisfactory to HUD, that it is not in default. However, in cases involving clear and apparent fraud, serious criminal behavior, or emergency conditions that pose an imminent threat to life, health, or safety, if HUD, in its sole discretion, determines that immediate action is necessary it may institute the remedies under Section 7(B) of this MTW ACC Amendment without giving the PHA the opportunity to cure.

(B) If the PHA is in default of this MTW ACC Amendment and/or the

¹ Should the PHA receive an extension(s) of its MTW participation (e.g. by extension or replacement of its MTW ACC Amendment) the transition plan will be due one year prior to the end of the extension(s).

MTW Operations Notice and the default has not been cured, HUD may, undertake any one or all remedies available by law, including but not limited to the following:

- i. Require additional reporting by the PHA on the deficient areas and the steps being taken to address the deficiencies;
- ii. Require the PHA to prepare and follow a HUD-approved schedule of actions and/or a management plan for properly completing the activities approved under this MTW ACC Amendment;
- iii. Suspend the MTW waiver authorization for the affected activities;
- iv. Require reimbursement by the PHA to HUD for amounts used in violation of this MTW ACC Amendment;
- v. Terminate this MTW ACC Amendment and require the PHA to transition out of MTW;
- vi. Restrict a PHA's ability to use its MTW funding flexibly; and/or
- vii. Take any other corrective or remedial action legally available.

(C) The PHA may choose to terminate this MTW ACC Amendment at any time. Upon HUD's receipt of written notification from the PHA and a copy of a resolution approving termination from its governing board, termination will be effective. The PHA will then begin to transition out of MTW and will work with HUD to establish an orderly phase-out of MTW activities, consistent with Section 6 of this MTW ACC Amendment.

(D) Nothing contained in this ACC Amendment shall prohibit or limit HUD from the exercise of any other right or remedy existing under any ACC or available under applicable law. HUD's exercise or non-exercise of any right or remedy under this amendment shall not be construed as a waiver of HUD's right to exercise that or any other right or remedy at any time.

Section 8. Notwithstanding any provision set forth in this MTW ACC Amendment, any future law that conflicts with any provision of this ACC Amendment, as determined by HUD, shall not be deemed to be a breach of this ACC Amendment. Nor shall HUD's execution of any future law be deemed a breach of this ACC Amendment. Any future laws affecting the PHA's funding, even if that future law causes a decrease in the PHA's funding, shall not be deemed a breach of this ACC Amendment. No future law or HUD's execution thereof shall serve as a basis for a breach of contract claim in any court.

Section 9. If any clause, or portion of a clause, in this Agreement is considered invalid under the rule of law, it shall be regarded as stricken while the remainder of this Agreement shall continue to be in full effect.

In consideration of the foregoing covenants, the parties do hereby execute this MTW ACC
Amendment:

PHA

By: Daniel Nackerman

Its: Executive Director

Date: 02/28/2022

UNITED STATES DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT

By: _____

Its: _____

Date: _____

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Daniel Nackerman, Kim Wilford, Jonathan Olson



Department: Executive

Subject: **Resolution # 785-2022 Authorizing for Section 18 disposition for New City Plaza I, LLC**

Date: February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Staff have been in planning stage with the Salt Lake County Housing Authority (Housing Connect) for over two years to finance then renovate and improve our adjacent 'City Plaza' and 'County Senior Highrise' Public Housing properties into one revitalized community. We are working to complete the project through the leveraging of HUD Rental Assistance Demonstration program (RAD), 4% Bonds, HUD disposition processes, and a variety of public financing.

The design and program call for renovation of 299 units plus a new connection/lobby building to be constructed. Residents served will predominately be low-income seniors over the age of 62.

The project is moving forward, and a few key milestones are now ostensibly complete. Those include bringing the full financing team on-board, completing the Architecture/Engineering, drafting the resident Relocation (within existing buildings) Plan, completing the "bidding" process (Competitive Proposals) for the General Contractor, and the completion of the 100% construction drawings.

This report describes Section 18 Disposition that is being completed in conjunction with the financing of the New City Plaza I, LLC.

PROCESS:

The Authority and Housing Connect currently own, as tenants in common, an approximately 3.16-acre parcel containing 299 units of Public Housing, as defined by the U.S. Department of Housing and Urban Development ("HUD"). Section 18 of the U.S. Housing Act of 1937 in conjunction with HUD's Rental Assistance Demonstration ("RAD") allows for the conversion of certain Public Housing properties into project-based Section 8 properties, when certain conditions are met, and the appropriate application to HUD has been submitted for approval.

The purpose of the conversion is to maintain long term affordability in a format that will be easier and more efficient to operate than the prior Public Housing program allows. As part of the RAD/Section 18 conversion and the financing of the rehabilitation of the Project, the Authority and Housing Connect will submit an application to HUD for the disposition of eighty-nine (89) County High Rise units and ninety (90) City Plaza Units to New City Plaza I, LLC.

ANALYSIS:

The disposition of the Public Housing units under Section 18 and the RAD conversion will make the project more efficient to operate, while maintaining affordability in this valuable resource for years to come. Staff anticipate the Section 18 disposition and RAD conversion will be approved by HUD after the

appropriate applications are submitted. However, changes in ownership structure and the rapidly developing financing resolutions may require nimble and time-sensitive negotiation, execution, and delivery to meet timelines of Equity investors and HUD representatives.

RECOMMENDATION:

Adopt Resolution # 785-2022 authorizing the Housing Authority of Salt Lake City's Executive Director to submit, negotiate, execute, and deliver documents and take any action on behalf of HASLC for the purpose of effectuating the Section 18 Disposition and RAD conversion of the New City Plaza I, LLC project.

RESOLUTION 785-2022

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY, AUTHORIZING THE DISPOSITION OF CERTAIN PUBLIC HOUSING UNITS LOCATED AT 1992 AND 1966 SOUTH 200 EAST, SALT LAKE CITY, UTAH.

WHEREAS, the Housing Authority of Salt Lake City (the “**Authority**”) was created pursuant to the provisions of Title 35A, Chapter 8, Part 4, Utah Code Annotated, as amended (the “**Act**”); and

WHEREAS, the Act authorizes the Authority to prepare, carry out, and operate projects and provide for the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration or repair of any project within its area of operation; and

WHEREAS, the Authority and the Housing Authority of the County of Salt Lake, dba Housing Connect (“**Housing Connect**”) currently own, as tenants in common, an approximately 3.16 acre parcel (the “**Project Property**”) containing (i) the one hundred forty-nine (149) unit public housing development which Housing Connect currently operates as senior and non-senior disabled housing in a sixteen-story apartment complex (“**County High Rise Improvements**”) located at 1966 South 200 East, Salt Lake City, Utah (the “**County High Rise Land**”, together with the County High Rise Improvements, “**County High Rise**”) and (ii) the one hundred fifty (150) unit public housing development which the Authority currently operates as senior housing (“**City Plaza Improvements**”) located at 1992 South 200 East, Salt Lake City, Utah (the “**City Plaza Land**”, and together with the City Plaza Improvements, “**City Plaza**”); and

WHEREAS, County High Rise and City Plaza currently support the Authority’s and Housing Connect’s public housing activities; and

WHEREAS, the Authority and Housing Connect have entered into a certain Memorandum of Understanding dated August 30, 2019, as may be amended (the “**MOU**”) to convert County High Rise Improvements and City Plaza Improvements through the RAD/Section 18 Blend (defined herein) to a two hundred ninety-nine (299) unit senior living development (the “**Project**”) financed, in part, with equity generated from low-income housing tax credits issued pursuant to Section 42 of the Internal Revenue Code; and

WHEREAS, the Authority and Housing Connect have subsequently entered into that certain Letter of Agreement dated February 8, 2022 (the “**LOA**”) pursuant to which the Authority and Housing Connect have agreed to certain modifications to the plan described in the MOU including, but not limited to, transfer of the Authority’s disposition of its interest in the Project Property to Housing Connect, together with an agreement that the Authority will transfer to Housing Connect its right to 50% ownership interest in the managing member of the Project Owner (defined herein); and

WHEREAS, the Authority intends to make together with Housing Connect and/or provide support to Housing Connect, for various submissions to the U.S. Department of Housing and Urban Development (“**HUD**”) to allow County High Rise and City Plaza to be converted from a

public housing project to a project-based Section 8 project under a combination of HUD’s Rental Assistance Demonstration (“**RAD**”) program and the disposition rules authorized by Section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437, *et seq.*), as amended (collectively, the “**RAD/Section 18 Blend**”), and expects HUD to approve such conversion, subject to the meeting of certain conditions by the Authority and Housing Connect. In accordance with the RAD program requirements, County High Rise and City Plaza will be subject to certain long-term affordability restrictions imposed by HUD; and

WHEREAS, as part of the RAD/Section 18 Blend and the financing of the rehabilitation of the Project, the Authority and Housing Connect will submit an application to HUD for the disposition of the Authority’s interest in the Project Property to Housing Connect, along with Housing Connect’s disposition of eighty-nine (89) County High Rise units and ninety (90) City Plaza Units to a limited liability company (the “**Project Owner**”) comprised of (a) a managing member in which affiliates of the Authority and Housing Connect are members and (b) an investor member; and

WHEREAS, the Authority intends to effectuate the disposition of its interest in the Project Property as contemplated by the LOA; and

WHEREAS, based on the need for affordable housing and other matters, it is necessary that the Authority proceed with the transactions described in this resolution.

NOW, THEREFORE, Be It Resolved by the Board of Commissioners of the Housing Authority of Salt Lake City:

Section 1: Incorporation of Recitals. The foregoing recitals shall be incorporated by reference to this resolution.

Section 2: Disposition of County High Rise and City Plaza units. That the Authorized Officers (and each of them acting alone or through their designees) are authorized and directed to submit, negotiate, execute, deliver and, if applicable, file (or cause to be executed and delivered and, if applicable, filed) on behalf of the Authority and in support of the Project those documents deemed necessary and appropriate to apply to HUD for disposition approval under Section 18 of the U.S. Housing Act of 1937 and to obtain the corresponding HUD approval in accordance therewith and in support of and full cooperation with Housing Connect’s preparation and submission of materials for the RAD/Section 18 Blend conversion of the Project.

Section 3: Supplemental Authorization. That the Authorized Officers, and each of them acting alone, are authorized on behalf of the Authority to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination, cause the Authority not to execute or deliver such document; (ii) negotiate, execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein; and (iii) cause the Authority to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution.

Section 4: Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director or Deputy Executive Director may, in such person's absence, be taken by any employee of the Authority that has been designated by the Executive Director to act in the absence of the Executive Director or Deputy Executive Director (the "**Authorized Officers**").

Section 5: Changes to Titles or Parties. While the titles of and parties to the various documents hereto may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form.

Section 6: Ratification and Confirmation. All actions of the Authority and its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 7: Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

[Remainder of the page is blank. Signature page follows.]

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY, THIS ___ DAY OF FEBRUARY 2022.

Palmer DePaulis, Board Chair

Dan Nackerman, Executive Director

Housing Authority of Salt Lake City
Staff Report

Report by: Daniel Nackerman, Kim Wilford, Jonathan Olson
Department: Executive



Housing Authority
of
Salt Lake City

Item: RATIFY Execution of a Letter of Agreement with Terms for the Sale or Transfer of the City Plaza Public Housing Development to Housing Connect or Its Entity and To Prepare and Execute a Purchase Offer in the Near Future

Date: February 28, 2022

BACKGROUND:

As you know, the Housing Authority of Salt Lake City (HASLC), has been working with Housing Connect (HC) (the County Housing Authority) since 2017 to redevelop two major properties, 149 units and 150 units respectively into one. This project started out as a planned rehab combined with a permanent restructure of the long-standing funding, from an antiquated program known as “Public Housing” to a more modern and viable funding through HUD tools known as RAD and Section 18 “disposition”. It has now morphed into an exciting new planned community of several thoroughly modernized buildings planned with a new building connecting all, while protecting the existing residents and maintaining deep affordability levels for years to come.

However, over these four (4) years, many obstacles rose up on a regular basis between these 50/50 partners of HASLC and HC as to how to perform this work, how much to spend, what population to house, how to manage, what services to provide, what financing to utilize, which consultants and lawyers represent which partners, and ultimately what decision-making process should be followed. These obstacles, according to our staff, have had a very detrimental effect on the schedule and budgets as outlined in recent years to the Commission within several Executive Director Reports, open and closed-session discussions, and recent letters and e-mails between HASLC and HC.

A sample list of these obstacles encountered included decisions about scope of rehabilitation, targeted tenant populations, existing services removed, the changing variety of involved staff and consultants, a rush to hire a general contractor, scope and timing of architecture/engineering, retaining vacant units, levels and costs of tenant services, commercial tenancing, double appraisals, site staff levels and offices, legal advice, and many other relatively minor disagreements that all caused delays and cost overruns either directly or indirectly according to our staff.

Note that HC has performed in the role of managing entity as originally agreed, with both parties required to make decisions on a 50/50 basis. We don't believe this happened consistently. Note also that almost all major components of the predevelopment for this complicated, major project have been completed despite the obstacles including identified financing, architecture/engineering, initial HUD approvals, bond financing attainment, relocation plans, resident involvement, agency policy changes, and identification of a General Contractor.

The project is still financially viable as well, according to the prime Financial Advisor consultant Praxis Consulting, with each HA scheduled to receive several million dollars at closing in developer fee and equity contribution combined along with several hundred thousand dollars each year in cash flows.

PROPOSED SOLUTIONS THROUGH PARTNERSHIP CHANGES:

In recognition that the partnership relationship needed to change, an effort was started in mid-2021 per Board officers from both Commissions to require the project consultant, Praxis Consulting, to issue identical progress reports to each Commission monthly. These proved helpful yet the schedules continued to wane, and the costs continued to rise which - per HASLC staff – were not emphasized within the reports.

Possible solutions in order to change the trajectory were proposed by HASLC at several points, including letters and e-mails issued in late 2021 and early 2022 (Attachment A).

The letters and subsequent responses are outlined as follows:

- A) December 17, 2021: HASLC (thru a letter) preliminarily offered to buy HC out at \$8,023,750 – and we did document many obstacles to date - with both parties having responsibility for such depending on the issue.
- B) December 30, 2021: HC (thru a letter) wrote back and said it was too late - and objected to tone of letter without specifics.
- C) January 9, 2022: HASLC (thru a letter) wrote back and said 'not too late per lawyers' - and what if HC buys HASLC out at \$7,500,000 ?...or buys 75-80% of our share at \$6,500,500? (Our preferred direction at that point).
- D) January 14, 2022: HC wrote back (thru an e-mail) and said they are considering and will discuss at a Board meeting January 19.
- E) January 14 and 15, 2022: HASLC writes (thru e-mails) “thrilled” with their consideration - and any help needed?
- F) January 20, 2022: HC writes back (thru an e-mail) that after Board consideration, they would like to move forward with the terms generally shown in HASLC letter.
- G) February 6, 2022: HASLC proposes (thru a letter) a format for a non-binding Letter of Agreement (LOA)
- H) February 8, 2022 HC revises LOA agreement slightly and executes their half.

ANALYSIS:

In offering to initially purchase the HC property staff did an analysis of the value utilizing some elements of draft appraisals, which were particularly prepared for the complex financing, to come up with an offer price of \$8,023,750 in present value for ½ of the future rehabbed property with restricted rents. When HC rejected the offer, HASLC proposed to HC that they offer \$7,500,000 to HASLC plus reimbursement of pre-development costs (approximately \$1,000,000.)

After HC preliminarily accepted the price and actually improved upon the presented terms, HASLC contracted with a nationally know firm, CSG Advisors, to independently confirm \$7.5 million as a fair purchase price in today’s dollars. CSG ran reasonably sophisticated proformas – utilizing the base data from the project to date –

to come up with a total value of \$15.2 million total in today's dollars for a completed project (approximately \$7.6 million for our property). Note that those projections presumed a successful development with cost projections, occupancies, expenses, loans, cashflows and a future re-sale as shown presently projected within the project.

CSG also ran a very optimistic proforma with less conservative cost escalations, occupancy levels, and expenses for a maximum present value of \$17 million.

CONCLUSION:

Staff therefore proposes that a purchase price to sell City Plaza to Housing Connect at \$7.5 million is fair and reasonable in today's dollars, assuming the funds are paid within 60-120 days.

It also eliminates the risks of cost overruns, delays, market conditions, leasing issues, and even financing costs which were committed many months ago and are now softening rapidly due to project delays.

Also note that "Public Housing" properties across the U.S. have an inherent value quite different from other multi-family properties due to the original costs borne by HUD; severely restricted rents; limited capital funding results; and now-dated livability defects such as limited storage, obsolete materials and systems, and a lack of amenities.

This sale of an important asset to a well-meaning partner will actually help ensure the original goals of protecting existing residents, transforming a deficient property, maintaining low rents, and improving the quality of life for approximately 320 seniors for many years to come. It also provides HASLC and HAME with \$7.5 million in unrestricted seed funding to leverage additional new projects or programs beginning in mid-2022.

RECOMMENDATION:

Ratify Authorization of the Executive Director to Execute a Letter of Agreement (Attachment B) with Terms for the Sale or Transfer of the City Plaza Public Housing Development to Housing Connect or its Controlled Entity, and To Further Prepare and Execute a Purchase Offer if the Terms Remain Consistent.

ATTACHMENT A

MISC. CORRESPONDENCE CITY PLAZA SALE - OR CHANGE IN
PARTNERSHIP



1776 South Temple
Salt Lake City, Utah 84115

Ms. Janice Kimball, CEO
Housing Connect
3595 Main Street
Salt Lake City, UT 84115

December 17, 2021

Subject: NEW CITY PLAZA PARTNERSHIP STRUCTURE

Dear Janice:

We are writing to express our desire for change in the trajectory of the beautiful and important New City Plaza project. Generally we remain concerned that the timelines have not been satisfactory by most measures, the costs are rising consistently and alarmingly, some specific elements requested by the Housing Authority of Salt Lake City (HASLC) have not been interjected into the project, and important contractual elements such as the Construction Contract and the Property Management Agreement are headed in a very expensive direction that we do not fully support at this time.

This said, we acknowledge also that large project milestones have been completed successfully. However, much work remains before financing is complete, permits are ready, contracts are executed, and development begins.

As you know this project started out in 2018 as a planned rehab combined with a permanent restructure of the long-standing funding, from an antiquated program known as "Public Housing" to a more modern and viable funding through HUD tools known as RAD and "Section 18 disposition". It has now morphed into an exciting new planned community of several thoroughly modernized buildings with a new building connecting all, while protecting the existing residents and maintaining deep affordability levels for years to come.

As brief background, in general chronological order, we list some of the elements of the project that have not gone as expected from our perspective:

- Physical inspections did not show tremendous needs (under \$3 million), yet the scope and cost have continually been added to, now at approximately \$38 million. In fact the architect was initially given a budget of approximately \$18.5 million.

- Delays occurred initially, for many months, when Housing Connect (HC) insisted the project take on many “Non-senior Disabled” (previously homeless) tenants in the future.
- The existing, extensive Senior Service Center within the project was suddenly withdrawn.
- A wide variety of round-robin consultants and staff working on the project led to delays, inconsistency, and confusion.
- An early agreement that each agency would “freeze” vacancy re-leases did not fully launch now causing delays and expense.
- A rush to hire a General Contractor with very little time for proper bidding proved to be a false deadline. Costs have purportedly risen from the “Guaranteed Maximum Price” quoted by the one bidder at the deadline from \$31.7 million to approximately \$38 million.
- A/E plans have taken over 15 months to date and the “100% complete set” of documents completed in April 2021 have proven to be much less than that. Elements of the scope such as historical considerations, structural seismic issues, asbestos and lead paint, and some physical life-safety issues were not considered until after the 100% A/E docs and construction bidding.
- The two primary lenders selected in August 2020, after many delays in procurement, quoted financial “closing” timelines that have been far exceeded due to no fault of theirs.
- A recent decision to include larger phases of 70+ empty units per construction phase – even after the contractor bid above included 41 units per phase – was made without full consensus yet costs may not be reduced, and tenants will be more negatively impacted.
- Very recent budget “rescue” items such as deferring a portion of the developer fee and changing (negatively) the borrowing of HOME funds were made without full consensus.
- On other recent examples, the budget, staffing levels, and property management agreement have been submitted to lenders as final/ in place without consensus.

We wish to emphasize that both HASLC and HC have had major roles in these delays and shortcomings as well as in (conversely) professionally and competently completing the milestones that are in place. HC has performed in the role of managing entity, including leading most of the above, which as you know is not easy.

To change elements of the present trajectory in completing this project, HASLC proposes the following:

HASLC would like to buy out the partnership and property, now or in the near future. This proposal is not new – in fact the two agencies seriously considered it in July 2017 when HASLC preliminarily offered \$10.86 million to buy out half the property/project and conversely HC offered to give vouchers to HASLC to buy out their half.

General proposal: As a part of the existing project and financing, without major changes to the planned project, HASLC proposes to forward \$8,023,750 (½ of the approximate value of \$16,047, 500) to purchase ½ of the land/improvements and the rest of the partnership from HC. This purchase would be made with half forwarded in direct funding to HC and the other with a short-term note, in a subordinate position within the financing if required. We understand the HUD Firm Commitment has just been received and the RAD Conversion Commitment is forthcoming. We do not desire to further delay the progress of this project with this proposed purchase. In fact, we have checked with legal counsel and while this purchase may create immediate challenges and some delay, it is likely still possible to timely execute and has happened on other projects.

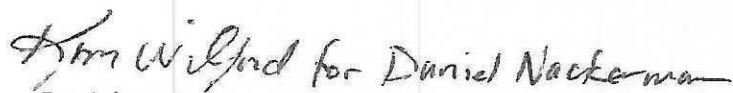
The existing financing, consultants and other professionals would remain in place if possible while HASLC entities become the managing party and finish the project – albeit with one further delay while the partnership documents and underwriting are adjusted for this change. If any of the major components of the existing structure dissolves, HASLC would simply regroup, likely with a differing scope and cost.

This offer is of course subject to legal input and Commission approval. A hybrid version of this offer would be considered as well as the complexities of activity to date are interjected.

Please let us know by January 4, 2022, if HC would seriously consider this offer. We would suggest keeping this as internal as possible at this point so as not to further reduce project momentum or alarm the lenders. If this offer is rejected, we will of course continue on the path to make this project successful yet with improved schedules and more precise decision making and cost controls as we have discussed.

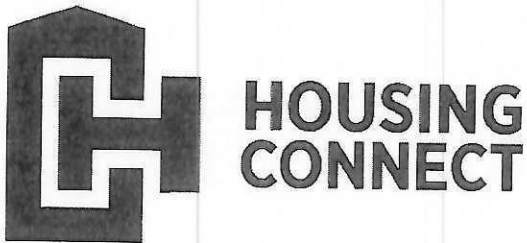
Thanks to all for the more important part of this endeavor – to have the creativity and tenacity to turn an aging, poorly-funded project into a vibrant, safe, stable community for many years to come to the benefit and quality of life of over 300 seniors.

Sincerely,


Daniel Nackerman

Executive Director

CC: Kim Wilford, Deputy Executive Director



3595 South Main Street,
Salt Lake City, UT 84115

www.housingconnect.org

O: 801-284-4400
TDD: 801-284-4407
F: 801-284-4406

Reasonable Accommodations:
801-284-4439

December 30, 2021

Mr. Daniel Nackerman
Executive Director
Housing Authority of Salt Lake City
1776 South Temple
Salt Lake City, UT 84115

Dear Dan,

I have carefully reviewed the Housing Authority of Salt Lake City's December 17, 2021, proposal to purchase Housing Connect's interest in New City Plaza (NCP) with the Housing Connect leadership team and its Board of Commissioners. We respectfully decline your offer. We believe that this project is too far along for this to be a viable option, and it is doubtful that Enterprise, HUD, or Utah Housing Corporation would approve. Additionally, the 4% bonds are in the process of being issued, and changing ownership now would cause significant challenges such as additional costs, loss of bond, etc. We are invested in this property and project, and, consistent with your letter, we expect both agencies to actively work "to continue on the path to make this project successful."

That said, Housing Connect also has concerns about the status of the partnership, in particular, HASLC's pattern of failing to actively participate in key tasks or functions at the onset and then interjecting at a later time with criticism and judgments. This disrupts the work and injects uncertainty into determined courses of action (as you will remember, I spoke with you about this prior to meeting with Board Chairs and Vice Chairs in July – you referred to it as "Monday morning quarterbacking"). This pattern has been especially confusing because someone from HASLC has been present for every key decision. In addition to this pattern, we have had difficulty getting concrete answers on key items and commitments. All of this takes vital time away from moving the project forward.

Frankly, your letter was disheartening to receive. Your letter focused on past elements without acknowledging participation in or a clear explanation/understanding of all the moving parts that affected those elements and focused on items that we have previously addressed and resolved. A redevelopment project of this size, partnership structure, and complexity inevitably experiences changes over time as new facts, opportunities, and obstacles become known. Calling out those changes as attributable faults does not take into account interests and efforts of the market, equity partners, HUD, and the actions of both agencies. This partnership requires trust and compromise from both partners. Both agencies agreed that this would be a 50/50 partnership, and while Housing Connect has taken the lead on most activities, this does not mean that HASLC has not been present or included in key discussion or decisions. In July, you appointed Kim Wilford and Jonathan Olson to represent HASLC and informed us that they had decision-making authority. We relied upon that representation, and Kim and Jonathan have been present at most all meetings and have been included on all correspondence as information has been provided and decisions have been made.



For the record, we dispute many of the items presented as facts in the letter; but, we believe that our energies and efforts are better focused on completing this development and preserving 299 units of deeply affordable housing for the next 40 years. In order to do this, we need to focus on the partnership going forward and meeting the key tasks needed to close financing, manage construction, and achieve stabilization. We suggest an in-person planning meeting to take place early next year to resolve these issues, address future concerns, clearly delegate duties, outline a dispute resolution process, and define decision-making authority and timeliness.

To recap the current status of NCP:

- Consolidated rent assistance from both housing authorities with Housing Connect agreeing to transfer 149 vouchers to HASLC;
- Received CHAP from HUD;
- Received FHA HUD loan final commitment;
- Informal approval of HUD Rental Assistance Demonstration Conversion Commitment;
- A tenant relocation consultant has been hired and process is under way;
- Due diligence with Enterprise is in good shape;
- All funding is set to close Q1 2022.

This is the only joint-agency HUD project of its kind in the nation. We find value in the project but recognize that there are many challenges ahead that will require full support from both agencies. Housing Connect is invested in the redevelopment of NCP and is committed to working with HASLC to successfully complete it.

With regards,



Janice Kimball
CEO

cc: Housing Connect Board of Commissioners





1776 South Temple
Salt Lake City, Utah 84115

Ms. Janice Kimball, CEO
Housing Connect
3595 Main Street
Salt Lake City, UT 84115

January 6, 2022

Subject: NEW CITY PLAZA PARTNERSHIP STRUCTURE

Dear Janice:

We are writing in response to your December 30, 2021 letter declining our offer to buy out the Housing Connect (HC) portion of the project for \$8,023,750 due to the late timing within the overall project. As mentioned in our December letter, we did talk with counsel before issuing the offer and were told it is likely doable subject to lender/investor/HUD approvals and further review – in fact partnerships sometimes change at this point in similar projects before financial closing.

We understand from your letter you believe it is too late for a sale to be viable. However, we have a new proposal wherein HC buys out a portion or all of the Housing Authority of Salt Lake City's (HASLC) share of the development. We'd ask you to consider this proposal subject to approval of necessary third parties and each Commission and further review as necessary by respective legal counsels. The purchase concepts are described as follows:

- HC becomes 75% or 80% owner with financial elements (risk; developer fee; costs; cash flow; etc.) being split at a similar ratio where appropriate. We have somewhat of a model for this type of partnership within our Denver Street project wherein Volunteers of America is 80% owner on some elements and 50% on others. The buy-out for this type of structure is proposed at \$6.5 million with terms on a portion that help the overall project such as partial cash at closing and a note for the remainder.
- HC takes over project with full, continued cooperation from HASLC. This 100% purchase is proposed at \$7.5 million. Note that this ostensibly represents a cost of \$50,000 per unit and of course the additional income for HC from the developer fee, equity sale proceeds within the financing, and future cash flow.

If either one of these proposals are accepted HASLC would only be reimbursed at closing for actual out-of-pocket costs to date for its net share of 3rd party expenses.

With regard to other elements of your letter, it is unfortunate to hear you were "disheartened" to read our recounts of issues to date and our concerns over the trajectory of this project. We disagree with your allegations against HASLC and mischaracterizations of HASLC's actions and intent. We stand by the record of obstacles to date and would be glad to provide more detail on each. While the project remains fiscally feasible there have been further significant delays and additional costs even since the December 17, 2021 letter was issued, including an HC delay in incorporating the project into a required HUD plan, giving up on the tax credit deadline for 2022, and continuing construction cost and schedule increases.

The buyout or partial buy-out proposed above would allow each party to move forward in the direction it desires and have the added benefit of quicker, simplified decision-making and clearer roles which would likely appeal to the lenders and investors as well.

Please let us know by January 14, 2022, if HC would seriously consider this offer. These proposals are obviously subject to further legal review and approval by our respective Commissions and general acceptance by existing lenders, investors, HUD and UHC. If HC indicated its intent to consider this offer the necessary approval and legal review process could quickly commence to definitively determine the viability of effectuating this offer. If this offer is rejected, we will of course continue the path to make this project successful, yet we must insist on improved schedules, more cooperative and precise decision making and cost controls as we have discussed.

Thanks for considering this good-faith proposal and thanks also for helping create this new community that will benefit seniors for many years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Nackerman", with the initials "AM" written in the bottom right corner of the signature.

Daniel Nackerman

Executive Director

CC: Kim Wilford, Deputy Executive Director

From: Janice Kimball <jjkimball@housingconnect.org>
Sent: Thursday, January 20, 2022 11:45 AM
To: Daniel Nackerman <dnackerman@haslcutah.org>
Cc: Mike Kienast <mkienast@housingconnect.org>; Troy Hart <thart@housingconnect.org>; Kirk Moorhead <kmoorhead@housingconnect.org>; Kim Wilford <kwilford@haslcutah.org>; Jonathan Olson <jolson@haslcutah.org>; Paul Edwards <pedwards@haslcutah.org>; Spencer Moffat <smoffat@boyercompany.com>
Subject: Ownership Consideration

Good morning,

I wanted to give you an update. I met with Housing Connect's Board of Commissioners yesterday and received full support to vet purchasing HASLC's interest in NCP. There is much to consider and I will be in touch with additional details and questions.

With regards,

Janice

JANICE KIMBALL

CEO

3595 S Main Street | Salt Lake City, UT 84115

jjkimball@housingconnect.org

P: (801) 284-4423 | C: (801) 381-7385 | F: (801) 284-4406

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1776 South West Temple
 Salt Lake City, Utah 84115
 Telephone 801.487.2161
 Fax 801.487.3641
 TDD for Hearing Impaired 801.487.3361



3595 South Main Street
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 Fax 801.284.4406
 TDD for Hearing Impaired 801.284.4407

DRAFT

Letter of Agreement

February 7, 2022 (SEE FINAL FEB 8)

SUBJECT: New City Plaza Public Housing Redevelopment

Background:

The Housing Authority of Salt Lake City (“HASLC”) and Housing Connect (“HC”) (collectively the “Parties”) have been working for over three years to finance, renovate, and otherwise improve the existing, adjacent ‘City Plaza’ and ‘County Senior Highrise’ public housing properties into one revitalized community, known as New City Plaza (“Project”). The Parties have been working to complete the Project through the joint leveraging of financing tools such as the U.S. Department of Housing and Development’s (“HUD”) Rental Assistance Demonstration program (“RAD”), tax-exempt bonds, 4% low-income housing tax credits, Section 18 HUD disposition process, and a variety of other public and private financing.

The Parties originally launched the Project through a joint 50/50 partnership. They now jointly desire to transfer HASLC’s interest in the Project, including the building(s), land, and improvements, to HC for reasonable consideration. In connection with transfer, HC will have sole responsibility to complete all pre-development, financing, development, and construction at the Project. Upon transfer, HC will have full ownership, management, and control of the Project. The Parties agree to complete this transfer in a professional and timely manner that does not cause undue delay in the Project.

Letter of Agreement (“LOA”):

This non-binding LOA is an initial agreement of general concepts proposed and preliminarily accepted by the Parties through recent informal communications.

Once this LOA is executed, it is the intent of the Parties to share the letter, only to the extent necessary, with existing consultants, lenders, investors, lawyers, HUD and other related parties to analyze the impacts, timelines, and any obstacles in bringing about this change in ownership and financing structure. More formal documents such as a purchase agreement, revised operating agreement, and revised financing documents would then be prepared for consideration by the Parties and their respective financial and legal counsel and boards of commissioners.

General Agreement to Date:

The Parties agree that the following understanding is in place and the Parties will pursue the following actions to the best of their abilities to transfer HASLC's interest in the Project to HC and allow HC as sole owner/developer to complete the renovation of the Project.

- A) HC, either directly or through the newly formed Project owner, will purchase the interests of HASLC in the Project for \$7.5 million. The purchase by HC is to be documented through (i) a transfer to HC of HASLC's 50% ownership interest in the proposed new Project owner's managing member, and (ii) a transfer to HC of HASLC's tenants in common ownership in the Project. Both transfers are to occur at or prior to closing on the Project financing and HASLC will be paid its full purchase price at the time of transfer.
- B) All Section 8 vouchers allocated to the Project will remain with the Project and be administered solely by HC.
- C) Documented third-party pre-development expenses paid by HASLC prior to closing on this transaction will be reimbursed to HASLC, including from proceeds made available at the time of closing on the Project financing.
- D) A mutually applicable confidentiality and non-disparagement agreement will be in place between the Parties and their consultants, to provide for ongoing cooperation and good faith dealing to facilitate the necessary government, lender, and investor approvals associated with this proposed reconfiguration and transfer. The confidentiality and non-disparagement agreement shall remain effective throughout the negotiation and closing of the Project transfer and financing. Similarly, a cross-indemnification acceptable to the Parties will be executed by the Parties for the life of the Project.

This LOA is non-binding. The Parties intend to further pursue and develop this initial agreement into more formal documents for agreement and execution, subject to approval of their respective boards of commissioners and applicable Project financing participants.

Sincerely,

Daniel Nackerman
Executive Director
Housing Authority of Salt Lake City

Janice Kimball
Chief Executive Officer
Housing Connect



jjkimball@housingconnect.org

P: (801) 284-4423 | C: (801) 381-7385 | F: (801) 284-4406

TDD: (801) 284-4407 | www.housingconnect.org



On Thu, Jan 20, 2022 at 6:27 PM Daniel Nackerman <dnackerman@haslcutah.org> wrote:

Thanks again. Please do not take any actions until our Board reviews and agrees with this concept and the general understanding of terms. This is alluded to in the letter(s).

You do not have our concurrence to discuss details with lenders and partners unless it is presented as broadly conceptual. Please do not take any actions that would further delay this project – we are proceeding on the planned original course until there is a more formal understanding.

Please let me know if you have any questions and thanks once again to all.

Dan

From: Janice Kimball <jjkimball@housingconnect.org>
Sent: Thursday, January 20, 2022 2:51 PM
To: Daniel Nackerman <dnackerman@haslcutah.org>
Cc: Mike Kienast <mkienast@housingconnect.org>; Troy Hart <thart@housingconnect.org>; Kirk Moorhead <kmoorhead@housingconnect.org>; Kim Wilford <kwilford@haslcutah.org>; Jonathan Olson <jolson@haslcutah.org>; Paul Edwards <pedwards@haslcutah.org>; Spencer Moffat <smoffat@boyercompany.com>
Subject: Re: Ownership Consideration

Dan,

Daniel Nackerman

From: Daniel Nackerman
Sent: Sunday, February 6, 2022 1:53 PM
To: Janice Kimball; Kim Wilford; Jonathan Olson
Cc: Mike Kienast; Eric Novak; Troy Hart; Kirk Moorhead; Spencer Moffat; Brenda Koga
Subject: RE: New City Rate Lock

We have a simple draft of a non-binding letter of agreement that follows your directives in the letter. I think this will solve much to date :)

Will send in am for your consideration and possible execution.

Thanks,

Dan

From: Janice Kimball <jjkimball@housingconnect.org>
Sent: Friday, February 4, 2022 2:52 PM
To: Daniel Nackerman <dnackerman@haslcutah.org>; Kim Wilford <kwilford@haslcutah.org>; Jonathan Olson <jolson@haslcutah.org>
Cc: Mike Kienast <mkienast@housingconnect.org>; Eric Novak <eric@praxisreno.com>; Troy Hart <thart@housingconnect.org>; Kirk Moorhead <kmoorhead@housingconnect.org>; Spencer Moffat <smoffat@boyercompany.com>; Brenda Koga <bnkoga@live.com>
Subject: Re: New City Rate Lock

Dan,

It is clear that we need to make this decision quickly. A conversation is essential to nail down how best to proceed. I will ask Dan Pincock to arrange a zoom meeting next week. I will also invite Amy McClain as she can help us navigate the issues we need to address to move forward.

At this point in the transaction, I do not agree with the directive to proceed as if the ownership structure is not under review. I received direction from my board not to move forward with items that would need to be significantly changed under a new owner or would damage the relationship with the key stakeholders. Also at the direction of my Board, all future correspondence regarding the ownership will include both Chairs.

It would be helpful to hear what your board approved/directed. We are happy to draft a checklist of items of issues to address to develop a purchase agreement. I also would very much like to see your letter you mentioned in a previous email that would be used with the funders/HUD.

JANICE KIMBALL

CEO

3595 S Main Street | Salt Lake City, UT 84115

jjkimball@housingconnect.org

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TDD: (801) 284-4407 | www.housingconnect.org

ATTACHMENT B

LETTER OF AGREEMENT HASLC AND HC CITY PLAZA SALE



1776 South West Temple
Salt Lake City, Utah 84115
Telephone 801.487.2161
Fax 801.487.3641
TDD for Hearing Impaired 801.487.3361



3595 South Main Street
Salt Lake City, Utah 84115
Telephone 801.284.4400
Fax 801.284.4406
TDD for Hearing Impaired 801.284.4407

Letter of Agreement

February 8, 2022

SUBJECT: New City Plaza Public Housing Redevelopment

Background:

The Housing Authority of Salt Lake City ("HASLC") and the Housing Authority of Salt Lake County (doing business as Housing Connect) ("HC") (collectively the "Parties") have been working for over three years to finance, renovate, and otherwise improve the existing, adjacent 'City Plaza' and 'County Senior Highrise' public housing properties into one revitalized community, known as New City Plaza ("Project"). The Parties have been working to complete the Project through the joint leveraging of financing tools such as the U.S. Department of Housing and Development's ("HUD") Rental Assistance Demonstration program ("RAD"), tax-exempt bonds, 4% low-income housing tax credits, Section 18 HUD disposition process, and a variety of other public and private financing.

The Parties originally launched the Project through a joint 50/50 partnership. They now jointly desire to transfer HASLC's interest in the Project, including the building(s), land, and improvements, to HC for reasonable consideration. In connection with the transfer, HC will have sole responsibility to complete all pre-development, financing, development, and construction at the Project. Upon transfer, HC will have full ownership, management, and control of the Project. The Parties agree to complete this transfer in a professional and timely manner that does not cause undue delay in the Project.

Letter of Agreement ("LOA"):

This non-binding LOA is an initial agreement of general concepts proposed and preliminarily accepted by the Parties through recent informal communications.

Once this LOA is executed, it is the intent of the Parties to share the letter, only to the extent necessary, with existing consultants, lenders, investors, lawyers, HUD and other related parties to analyze the impacts, timelines, and any obstacles in bringing about this change in ownership and financing structure. More formal documents such as a purchase agreement, revised operating agreement, and revised financing documents would then be prepared for consideration by the Parties and their respective financial and legal counsels and boards of commissioners.

A handwritten signature in blue ink, appearing to be 'EA', is located in the bottom right corner of the page.

General Agreement to Date:

The Parties agree that the following understanding is in place and the Parties will pursue the following actions to the best of their abilities to transfer HASLC's interest in the Project to HC and allow HC as sole owner/developer to complete the renovation of the Project.

- A) HC, either directly or through the newly formed Project owner, will purchase the interests of HASLC in the Project for \$7.5 million. The purchase by HC is to be documented through (i) a transfer to HC of HASLC's 50% ownership interest in the proposed new Project owner's managing member, and (ii) a transfer to HC of HASLC's tenants in common ownership in the Project. Both transfers are to occur at or prior to closing on the Project financing, and HASLC will be paid its full purchase price at the time of transfer.
- B) All Section 8 vouchers allocated to the Project will remain with the Project and be administered solely by HC.
- C) Documented third-party pre-development expenses paid by HASLC prior to closing on this transaction will be reimbursed to HASLC, including from proceeds made available at the time of closing on the Project financing.
- D) A mutually applicable confidentiality and non-disparagement agreement will be in place between the Parties and their consultants, to provide for ongoing cooperation and good faith dealing to facilitate the necessary government, lender, and investor approvals associated with this proposed reconfiguration and transfer. The confidentiality and non-disparagement agreement shall remain effective throughout the negotiation and closing of the Project transfer and financing. Similarly, a cross-indemnification acceptable to the Parties will be executed by the Parties for the life of the Project.

This LOA is non-binding. The Parties intend to further pursue and develop this initial agreement into more formal documents for agreement and execution, subject to approval of their respective boards of commissioners and applicable Project financing participants.

Sincerely,



Daniel Nackerman
Executive Director
Housing Authority of Salt Lake City



Janice Kimball
Chief Executive Officer
Housing Connect



Housing Authority of Salt Lake City
Staff Report

Report Provided by: Dan Nackerman/Jonathan Olson
Department: Executive

**Item: REPORT: Development Partnership w/ Defy Co.labs
Developing 350 New Apartments on North Temple**

Date: February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

HASLC and its non-profit instrumentalities presented this new project and partnership for approval 11/29/21 when several Commissioners were absent – any many new aspects have taken place since. A few minor questions occurred then as well regarding the market study area - and past experience on projects and costs since the firm is relatively new. HASLC/HAME will also be expending significant funding on predevelopment costs this week so it was deemed prudent to give an update to the Commission.

PRESENTATION:

Includes a short update on the project description, a quick overview of the related market-study, and a cost recap of six (6) past projects by principals in the firm.

PROJECT DESCRIPTION:

Site: 1.84 acres at North Temple and I-215. Existing warehouses will be demolished.

Planned Housing: 350 living units; studios (215), one bedrooms (45), two bedrooms (50), three bedrooms (40); five (5) stories on top of one (1) story podium, 224 parking stalls; many amenities such as community lounges, 5 elevated courtyards, multiple fitness and exercise rooms etc.; quality materials and finishes; state of the art energy systems.

Completed to Date: Land control; preliminary architecture and engineering; soils/environmental studies; marketing study; appraisal; preliminary public approvals; financing applications; 4% bond reservation.

Projected Costs: Construction costs \$59,879,598; Total Costs: \$85,297,901

Project Funding Sources: 4% Bonds; State HOME Funding; Below-market Debt/Mortgage; Public Loans; Section 8 Subsidies (if needed)

Projected Cashflow: Roughly \$95,000 per year in early years; \$700,000 in later. Stabilized Net Operating Income = \$2,702,803.80.

Developer Fee: Approximately \$6,765,609

ACTION RECOMMENDED:

None required.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Paul Wellington

Department: Procurement

Item: Authorize Award of a Contract for Canterbury Apartment Complex Lighting to Fairway Electric at a Maximum Cost of \$38,950

February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Housing Authority of Salt Lake City (HASLC) with its entities, owns 34 properties consisting of nearly 1700 units. HASLC properties proudly serve hundreds of households in these units designed to provide housing for veterans, seniors, disabled individuals, and families. With the intent to maintain property safety, upgrade, repair, and improve overall lighting performance HASLC requested proposals from qualified proposers in good standing. This project is under the forty thousand dollar threshold for Commission approval however it is not in the current year budget.

An Invitation for Bid (IFB) was solicited for the removal of obsolete exterior light fixtures and replacement (upgrade) with LED light fixtures at Canterbury Apartment's (77 units) located at 1841 W Morton Drive in Salt Lake City, Utah.

The list of items for replacement consisted of (48) LED carport canopy light fixtures, (23) LED wall pack units outside of the carport canopies. (5) 150W LED pole mounted flood lights installed on existing pole lights (1) new pole and base installed with (1) 150W LED flood lamp, also including trenching, conduit installation and wiring for basketball court area and (48) 100W equivalent LED bulbs installed in existing staircase light fixtures and materials needed.

PROCESS:

The HASLC publicly solicited an Invitation for Bid (IFB) "Canterbury Apartment Lighting" IFB # 22-001 for the purpose of obtaining Bids/Proposals and to ultimately enter a contract between the (HASLC) and a qualified contractor for exterior light fixture removal and LED light fixture installation at Canterbury Apartments. Staff uploaded the IFB to the State of Utah's procurement website, *Purchasing.Utah.gov*, and posted it on the HASLC's website. HASLC Staff also forwarded the IFB #22-001 to local Contractors and Suppliers directly requesting their participation.

In response to HASLC's IFB#22-003 HASLC received two (2) viable proposals meeting all criteria and ability to meet the attached Scope of Work. HASLC scored the proposals utilizing the published criteria.

ANALYSIS:

The firms were rated according to each of the published criterion:

| | |
|--|-----------|
| Technical – Ability to meet Scope of Service | 20 Points |
| Statement of Qualifications | 20 Points |

Cost 30 Points
 Minority and Women Business Enterprises 15 Points
 Section III 10 Points

References 5 Points

TOTAL 100 POINTS

| Company | Total Score | Avg. Score |
|------------------|-------------|------------|
| CTI Electric | 162 | 54 |
| Fairway Electric | 178 | 59.33 |

Fairway Electric received the highest score and demonstrated a solid overall capacity and experience to provide the needs of HASLC. Fairway also has the lowest price quote.


FINANCIAL IMPACT:

Fairway Electric's cost for the replacement and installation of all fixtures listed within the scope of work at a Not to exceed cost of \$38,950.00. This item was budgeted in 2021 and was not completed due to covid and vendor limitations. The budget for 2022 did not show the work item so staff will bring a budget revision to the Commission for consideration within 60 days.

RECOMMENDATION:

Authorize the selection of and contracting with Fairway Electric for removal and replacement of light fixtures as listed in IFB #22-001 at Canterbury Apartments at a not to exceed rate of \$38,950.00

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Paul Wellington 

Department: Procurement

**Item: Authorize Award of a Contract for Canterbury Apartment
Complex Lighting to Fairway Electric at a Maximum Cost of \$38,950**

February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Housing Authority of Salt Lake City (HASLC) with its entities, owns 34 properties consisting of nearly 1700 units. HASLC properties proudly serve hundreds of households in these units designed to provide housing for veterans, seniors, disabled individuals, and families. With the intent to maintain property safety, upgrade, repair, and improve overall lighting performance HASLC requested proposals from qualified proposers in good standing. This project is under the forty-thousand-dollar threshold for Commission approval however it is not in the current year budget.

An Invitation for Bid (IFB) was solicited for the removal of obsolete exterior light fixtures and replacement (upgrade) with LED light fixtures at Canterbury Apartment's (77 units) located at 1841 W Morton Drive in Salt Lake City, Utah.

The list of items for replacement consisted of (48) LED carport canopy light fixtures, (23) LED wall pack units outside of the carport canopies. (5) 150W LED pole mounted flood lights installed on existing pole lights (1) new pole and base installed with (1) 150W LED flood lamp, also including trenching, conduit installation and wiring for basketball court area and (48) 100W equivalent LED bulbs installed in existing staircase light fixtures and materials needed.

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ANALYSIS:

The firms were rated according to each of the published criterion:

| | |
|--|-----------|
| Technical – Ability to meet Scope of Service | 20 Points |
| Statement of Qualifications | 20 Points |

| | |
|---|-------------------|
| Cost | 30 Points |
| Minority and Women Business Enterprises | 15 Points |
| Section III | 10 Points |
| <u>References</u> | 5 Points |
| TOTAL | 100 POINTS |

| Company | Total Score | Avg. Score |
|------------------|-------------|------------|
| CTI Electric | 162 | 54 |
| Fairway Electric | 178 | 59.33 |

Fairway Electric received the highest score and demonstrated a solid overall capacity and experience to provide the needs of HASLC. Fairway also has the lowest price quote.

FINANCIAL IMPACT:

Fairway Electric's cost for the replacement and installation of all fixtures listed within the scope of work at a Not to exceed cost of \$38,950.00. This item was budgeted in 2021 and was not completed due to covid and vendor limitations. The budget for 2022 did not show the work item so staff will bring a budget revision to the Commission for consideration within 60 days.

RECOMMENDATION:

Authorize the selection of and contracting with Fairway Electric for removal and replacement of light fixtures as listed in IFB #22-001 at Canterbury Apartments at a not to exceed rate of \$38,950.00

Tabulation

CTI ELECTRIC

FAIRWAY ELECTRIC

| Criteria | MX VL | MP | Z | VJ | MP | Z | VJ |
|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Technical Proposal Ability to meet scope of work | 20 | 20 | 10 | 18 | 20 | 10 | 18 |
| Statement of Qualifications | 20 | 20 | 20 | 18 | 20 | 0 | 18 |
| Cost Proposal | 30 | 10 | 20 | 15 | 30 | 30 | 20 |
| Minority and Women Business Enterprises | 15 | 0 | 0 | 0 | 0 | 0 | 5 |
| Section III | 10 | 0 | 0 | 0 | 0 | 0 | 0 |
| References | 5 | 5 | 3 | 3 | 5 | 2 | 0 |
| Total Score Per Reviewer | 100 | 55 | 53 | 54 | 75 | 42 | 61 |

Total 162
Avg. 54

Total 178
Avg. 59.33

Excerpts

Invitation for Bid
Canterbury Apartment Lighting

**INVITATION FOR BID
CANTERBURY APARTMENT LIGHTING**

PROPOSAL TIMELINE

| | |
|-----------------------------|--|
| Release of IFB | 01 /13/2022 |
| Questions Due | 01/20/2022 by 4:00pm MST |
| Proposal Submittal Due Date | 01 /27/2022 by 4:00pm MST |
| IFB Contact | Paul Wellington Procurement & Contracts Manager 1776 South West Temple Salt Lake City, UT 84115 pwellington@haslcutah.org 801-428-0580 |

Issued By:
Housing Authority of Salt Lake City
1776 S. West Temple
Salt Lake City, Utah 84115
www.haslcutah.org

PURPOSE

The purpose of this Invitation for Bid (“IFB”) is to solicit proposals and ultimately enter into a contract between the Housing Authority of Salt Lake City (“HASLC”) and a qualified contractor for exterior light fixture removal and LED light fixture installation at Canterbury Apartment located at 1841 W Morton Drive in Salt Lake City, Utah. **Minority, women, veteran, and tribal owned businesses are encouraged to apply.**

This IFB is designed to provide interested contractors with sufficient basic information to allow them to submit proposals that meet stated minimum requirements. It is not intended to limit the content of any contractor’s proposal or exclude any relevant or essential data. Contractors are at liberty and are encouraged to expand upon the scope of service and provide additional information in their proposal prior to submission.

The project’s scope is outlined in the *Scope of Service* included in this IFB. It is also available through the HASLC website (www.haslcutah.org), and the Utah Division of Purchasing and General Services (www.purchasing.utah.gov).

A successful contractor should have a track record of compliance and must commit to comply with all applicable federal, state, and local laws and regulations. Interested Contractors are advised that prior to the award of any contract, HASLC reserves the right to conduct a pre-award survey for the purpose of determining the contractor’s responsibility and capacity to perform the contract and complete the project. This research may include review of sub-contract agreements, financial capacity, and quality of work performed on previous contracts.

HASLC reserves the right to reject any and all proposals and to waive any informality or irregularity in the IFB process whenever it is in the best interest of HASLC to do so. HASLC may use deductive alternates in the proposal procedure to comply with budget limitations.

BACKGROUND

HASLC is one of the largest providers of affordable housing in the State of Utah. It owns over thirty affordable housing properties located throughout Salt Lake City. HASLC proudly serves thousands of people, most of whom are seniors, disabled individuals, and children.

As the demand for housing increases, the city's limited supply of affordable housing is insufficient to house the thousands of local families in need. As a developer of sustainable affordable and market rate housing, HASLC has over the years expanded its housing stock in an attempt to meet the area's growing needs. Working diligently to acquire, build, and renovate properties, HASLC incorporates the concept of mixed income communities, utilizes green technology, and provides recreational and educational facilities for common use.

Additionally, HASLC's programs often serve as a steppingstone for families in need of help to build a foundation for a brighter future. In addition to providing affordable housing, HASLC assists its clients with ways of becoming economically independent. In collaboration with its partners, HASLC provides family/individual case management and counseling, career training program integrity, and homeownership assistance, to name just a few of the services it is able to provide.

HASLC values its suppliers and contractors as partners in its mission to empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout Salt Lake City.

LENGTH OF CONTRACT

Please include a proposed timeline to complete the project, taking into account potential labor and supply limitations. A phased completion schedule is acceptable, so long as all fixtures detailed in the Scope of Work (pg. 7, item h), are installed and the project is complete no later than the end of June 2022

SUBMITTING YOUR PROPOSAL

Email your proposal, with all supporting documents and information, to Paul Wellington at pwellington@haslcutah.org by the Proposal Submittal Due Date indicated on page 3 above. Proposals received after the deadline will be late and may be deemed ineligible for consideration.

OPPORTUNITY TO ASK QUESTIONS

Contractors with questions related to this project or the proposal process may submit written questions by email to Paul Wellington at pwellington@haslcutah.org by the Questions Due date indicated on page 3 above.

Invitation for Bid
Canterbury Apartment Lighting**SCOPE OF SERVICE****Lighting:**

The HASLC is requesting proposals from qualified proposers in good standing, for exterior light fixtures removal and LED light fixture installation at Canterbury Apartment located at 1841 W Morton Drive in Salt Lake City, Utah.

Contractor should include following in the estimate:

1. Contractor shall be responsible for providing all labor and materials for accomplishing all work in accordance with this Statement of Work (SOW).

A complete list of light fixtures to be replaced is located in this scope of work. Light fixtures to be replaced typically include street and parking lot lights (mounted on poles or underneath carport structure, building wall packs (i.e., wall-mounted), replace staircase light bulbs in every light fixture in each building with watt equivalent LED light bulbs.

All electrical work shall be accomplished in accordance with the National Electric Code (NEC).

a.) Inspection.

All quantities, locations, measurements, and installation types provided by the HASLC shall be considered estimations and prototypical. The Contractor is responsible for conducting a thorough inspection and inventory of existing Conditions prior to commencement of work. This inspection shall include a review of the Conditions for existing lighting fixtures and HASLC proposed replacement to make a positive determination that the Removal, or Replacement, meets or exceeds the specifications identified by this SOW (see below). For instances where the HASLC's specifications cannot be obtained (i.e., due to differences in wiring, structural capability, etc.), the Contractor shall be responsible for identifying the discrepancy to the HASLC and proposing the most economical, most commercially viable solution for accomplishing the desired end state work under this SOW.

If the Contractor decides that such a solution is not possible, the Contractor should offer the next-best scenario.

b.) Removal.

For those lighting fixtures identified for Removal (i.e., deletion) the Contractor shall completely disconnect and remove the fixtures and wiring if it is damaged and not safe for reuse. Any wiring removal should be prior inspected and approved by HASLC representative.

The Contractor shall be responsible for devising the most-appropriate method for covering, patching, or otherwise suitable method of enclosing the former mounting point.

c.) Replacement.

For those lighting fixtures identified for Replacement (i.e., one-for-one exchange), the Contractor may rely on that all lighting fixtures, as specified by HASLC, are sufficient for meeting or exceeding the specifications of this SOW in terms of technical capability. The Contractor remains responsible for the Procurement and installation of these fixtures IAW the NEC, SOW, Inspection, and manufacturer's specifications for installation.

d.) Clean Up and Disposal.

Contractor shall properly identify, sort, and dispose of discarded materials as a result of this SOW. All hazardous materials must be disposed of in accordance with applicable regulations.

e.) Safety

The Contractor is expected to always foster and operate in a safe and expeditious manner. Any Contractor or HASLC employee may suspend work under this SOW out of a concern for safety. Should the Contractor encounter an unsafe situation during performance under the SOW, work should be stopped immediately. It shall be the Contractor's responsibility to ensure Contractor's employees adherence to any/all applicable work safety standards (i.e., prescribed work or footwear, safety equipment, etc.).

f) Contractor Supervision

The Contractor shall identify to the HASLC Procurement Manager the name, telephone, and/or email address of one primary and one alternate individual who shall have the authority to act in a supervisory role.

g) Contractor Point of Contact

The Contractor shall identify to the HASLC Procurement Manager, the name, telephone number, and/or email address of the business point of contact (POC) who shall have the authority to bind the Contractor into contract with the HASLC.

h.) List of the light fixtures and LED lights to be removed/replaced:

1. (48) Costless LED Canopy light fixtures 06CPLED45W5KMOV
2. (23) Phillips LPW78BZ wall pack on the outside of the carport canopy's
3. (6) of 150W LED pole mounted flood lights Costless model 08-LEDPal150W, 5 of them installed on existing pole lights
4. (1) new pole and base installed including trenching, conduit installation and wiring for basketball court area (Pole and Base to match current onsite design and height)
5. (48) of 100 W equivalent LED bulbs installed in existing staircase light fixtures

Please review planned location of the light fixtures on following map:

Invitation for Bid
Canterbury Apartment Lighting

Canterbury Apartments Lighting



- Canopy light fixtures
- LED small wall packs
- Pole lights
- Pool house wall pack
- Basketball court pole light

SERVICE LOCATIONS

The Canterbury Apartment Buildings that are the subject of this IFB are located at 1841 West Morton Drive (1300 N.), Salt Lake City, Utah.

SUBMISSION REQUIREMENTS

Forms included within this Request for Proposal must be included with proposal, in addition to HUD form 5369-B and 5369-C. Failure to submit mandatory forms may result in rejection of the proposal.

Collusion

Contractor, by submitting a proposal, hereby certifies that no officer, agent, or employee of HASLC has a pecuniary interest in this Proposal, that the Proposal is made in good faith without fraud, collusion, or connection of any kind with any other Contractor, and that the Contractor is competing solely in its own behalf without connection with, or obligation to any undisclosed person or company.

Disputes

In case of any doubt or differences of opinions as to the participation sought hereunder, or the interpretation of the provisions of the IFB, the dispute process shall apply.

Contractors may appeal the recommended award, provided the appeal is in writing, contains the IFB number, is delivered to the address listed in Section II – Paragraph A of this IFB, and is submitted according to the time requirements listed below. The following shall apply to protests (unless otherwise specified, this section will use the term “protest” to also include disputes and appeals):

Solicitation: Contractors may protest a solicitation issued by HASLC. Any protest must be received by the Purchasing Agent before the bid or proposal submittal deadline, or it will not be considered.

Award IFB: Any protest against the award of a contract based on an IFB must be received by the Procurement and Contracts Manager no later than two (2) full business days after the bid submittal deadline, or before award of the contract, whichever is earlier, or the protest will not be considered.

Award RFP/RFQ/IFB: Any protest against the award of a contract based on an RFP, RFQ, or IFB or appeal of a decision by HASLC to reject a proposal, must be received by the Procurement and Contracts Manager within three (3) business days after notification to an unsuccessful Contractor that they were not selected, or the protest will not be considered.

Rejection of Bid: Any protest of a decision by HASLC to reject a bid submitted in response to an IFB must be received by the Procurement and Contracts Manager within two (2) business days after being notified in writing of HASLC’s decision, or the appeal will not be considered.

A written response will be directed to the appealing Contractor within fourteen (14) calendar days of receipt of the appeal, advising of the decision with regard to the appeal and the basis for the decision. The decision of HASLC shall be final and binding upon all parties.

SITE VISIT

Contractors are encouraged to view site and address listed above. Site visits conducted by request only to pwellington@haslcutah.org.

EXCERPTS

Invitation for Bid
Canterbury Apartment Lighting

Exhibit A - Cost Proposal Form

NAME OF CONTRACTOR Fairway Electric, LLC. DATE 1.27.2022

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

The undersigned, responsive to the "Invitation for Bid IFB # 22-001" for the Canterbury Apartment Lighting propose fee at the price stated below. This price is to cover all expenses incurred in performing the Scope of Services as outlined in our proposal of which this proposal is a part:

I/We acknowledge receipt of the following Addenda: None

We have listed the following information (if applicable) for your convenience in responding to this IFB. If the Contractor needs to add additional line items or information to better respond to the IFB, please attach to this document. If no additional forms have been attached, it will be understood that the costs listed below are for the scope of services within the Contractors Proposal.

| <u>Description</u> | <u>Unit of Measure</u> | <u>Unit Cost</u> | <u>Total</u> |
|--|------------------------|---------------------------|-----------------------|
| A. Installation of: LED canopy | | | |
| Light fixtures 06CPLED45W5KMV | <u>48</u> | \$ <u>\$275.00/Each</u> | \$ <u>\$13,200.00</u> |
| B. Phillips LPW78BZ | <u>23</u> | \$ <u>\$490.00/Each</u> | \$ <u>\$11,270.00</u> |
| C. 150W LED model 08-LEDPal150W | <u>6</u> | \$ <u>\$1,080.00/Each</u> | \$ <u>\$6,480.00</u> |
| D. Pole and base for basketball court (Pole and Base to match current onsite design and height) | <u>1</u> | \$ <u>\$5,600.00/Each</u> | \$ <u>\$5,600.00</u> |
| E. 100W equivalent LED bulbs (stairway) | <u>48</u> | \$ <u>\$50.00/Each</u> | \$ <u>\$2,400.00</u> |
| F. | <u>Quote</u> | \$ _____ | \$ <u>N/A</u> |
| G. | <u>Quote</u> | \$ _____ | \$ <u>N/A</u> |
| H. | <u>Quote</u> | \$ _____ | \$ <u>N/A</u> |
| I. | <u>Quote</u> | \$ _____ | \$ <u>N/A</u> |
| J. | <u>Quote</u> | \$ _____ | \$ <u>N/A</u> |
| TOTAL | | | \$ <u>\$38,950.00</u> |

The undersigned Contractor's License Number for Utah is 5203850-5501

Type of Organization:

Individual, LLC
(Corporation, partnership, Individual, etc.)

Fairway Electric, LLC. Randy Fackrell
Name of Contractor

Randy Fackrell

Digitally signed by Randy Fackrell
DN: c=US, e=Fairwayelectric@msn.com,
o="Fairway Electric, LLC", cn=Randy Fackrell
Date: 2022.01.27 09:24:51-0700

Invitation for Bid
Canterbury Apartment Lighting
8911 South 2700 West, West Jordan, Utah 84088
Address

Authorized Signature

Exhibit B – Contact Information Form

To: Paul Wellington, Procurement & Contracts Manager
Phone : 801-428-0580
Email : pwellington@haslcutah.com

This document is to acknowledge that we are in receipt of IFB # 22-001 Canterbury Apartment Lighting and have noted our intention to bid.

Vendor Name: Fairway Electric, LLC.

Address: 8911 South 2700 West, West Jordan, Utah 84088

Contact/Title: Randy Fackrell / President

Phone: 801.403.6064

Fax: _____

Email: R.Fackrell@Fairway-elec.com

I PLAN TO SUBMIT A BID.

- Yes, I will be submitting a bid.
- Maybe, I need to research and get more information (contact HASLC-information listed above)

NO BID. Indicate any of the following. We:

- Do **NOT** desire to be retained on the vendor list.
- Desire to be retained on the vendor list, but decline to bid based on the following:
- Cannot comply with specifications/scope of work, Explain: _____

- Cannot meet delivery requirements, Explain: _____

- Do not regularly provide this type of product/service
- Other, Explain: _____
- Please update my information as listed above.

HOW YOU FOUND OUT ABOUT THE BID. Indicate any of the following. We:

- Checked the agency website
- Received notice by fax or e-mail
- Newspaper Ad, please list paper: _____
- Trade Publication, please list: U3P
- Plan Room, please list: _____

Invitation for Bid
Canterbury Apartment Lighting

Other, Explain: _____

BID Form

HASLC wishes to enter into contract. Please complete the following form and include with your Bid. (Form can be typed or handwritten.)

NAME of VENDOR: Fairway Electric, LLC.

CONTACT PERSON for BILLING:
Randy Fackrell / President

EMAIL of BILLING CONTACT: R.Fackrell@Fairway-elec.com

PHONE NUMBER of BILLING CONTACT:
801.403.6064

BILLING ADDRESS: 8911 South 2700 West, West Jordan, Utah 84088

TAX IDENTIFICATION NUMBER (TIN):
68-0517180

CONTACT PERSON for ONSITE WORK:
Cory Fackrell

ONSITE CONTACT PHONE NUMBER:
801.403.6049

PRICING:

HASLC will enter into a fixed price contract (Stipulated Sum). Please provide a total cost estimate as an attachment to this sheet, to establish a maximum amount for reimbursement. The contractor (prime) cannot exceed the maximum without a HASLC-approved modification. For federal regulations on fixed price contracts, please see FAR subpart 16.201.

With the total cost estimate, please include an itemized listing of anticipated costs, including materials, labor, overhead and profit, with each listed separately.

Exhibit C - Proposal Form

Vendor Name: **Fairway Electric, LLC.**

1. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work, and with the Specifications, if any thereto, hereby proposes to furnish all labor, materials, equipment and services required to provide such service(s) described in the Scope of Work in accordance therewith.
2. In submitting this proposal, it is understood that the right is reserved by the Housing Authority of Salt Lake City to reject any and all proposals. If written notice of the acceptance of this proposal is mailed, telegraphed, faxed, or delivered to the undersigned within thirty (30) days after the opening thereof, or at any time thereafter before this proposal is withdrawn, the undersigned agrees to a contract/agreement in the prescribed form and furnish any required insurance requirements within ten (10) days after the contract is presented to him for signature.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Date **January 27**, 20**22**

8911 South 2700 West,
 (Official Address)
West Jordan, Utah 84088

Fairway Electric, LLC.
 (Company Name)

 (By)
Randy Fackrell / President
 (Title)

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Britnee Dabb
Department: Executive



Item: Board Meeting Technology

Date: 02/28/2022



Housing Authority
of
Salt Lake City

BACKGROUND:

Virtual board meetings allow Board Commissioners, the Public, and Staff Members to attend regularly scheduled meetings from remote locations. The equipment necessary to conduct a successful meeting from a board room to numerous outside locations can be complicated to set up, calibrate, and use. The process is complicated by the ever-present possibility of incompatibility between individual systems and devices, variations in virtual meeting platforms, and the speed and reliability of each participant's internet connectivity. HASLC has experienced such difficulties in setting up the sound system in its newly-remodeled board room. The following is a detailed summary of the HASLC team's efforts to create a proper board meeting environment for both in-person and virtual participants.

PROBLEM SUMMARY

Before the COVID-19 Pandemic, persons who were unable to attend Board Meetings in-person could generally join via conference call with no video option. The Board held its first meeting during the Pandemic in March 2020. During that meeting, all participants were remote, and the meeting was entirely virtual. At that time, the Board Room remodel project was entering its final stages, and was supposed to include enhanced virtual communication equipment. That project stopped in April 2020, however, due to issues with the contractor. The Board continued to hold virtual-only board meetings until May 21, 2021, when it changed to a hybrid board meeting model where participants could opt between attending in-person or remotely. To prepare for that hybrid meeting format, the Housing Authority's previous IT Manager and previous IT vendor began working in early May 2021, to install a business laptop, webcam, and conference line speaker system. They tested that system several times before the May 2021 Board Meeting. However, the setup proved unsuccessful during the meeting, generally because remote participants were unable to hear the other participants, particularly those in the Board Room.

Our IT Manager and Staff have worked with various IT vendors since that initial hybrid meeting to install new equipment and adjust other variables. They tested each new set up repeatedly before each meeting. Regardless, the next eight (8) Board Meetings held using this hybrid model were plagued with technical issues resulting in poor audio or video quality, which impaired the productivity of each meeting.

This report is intended to provide the Board Commissioners a summary of the issues and continued efforts by Board Staff and outside vendors to rectify the Board Room's audio/video problems so that we can successfully hold hybrid board meetings in the future.

BOARD MEETING ISSUES AND SPECIFIC EFFORTS TO RECTIFY THEM

May 24, 2021 – The Board Commissioners and Staff first discovered significant technical issues, particularly with the audio, during hybrid meetings. The audio was not ideal, but the meeting was conducted as normal using a laptop, webcam, and conference line speaker.

During the first week of June 2021, the previous IT Manager added another bridge phone speaker to the Board Room table to improve the audio. The IT Manager and Administrative Assistant tested the upgraded system that week and in the days leading up to the June Board Meeting. They found the system to be functional during their tests.

June 28, 2021 – During the Board Meeting, with numerous participants in the Board Room and participating remotely, the audio was again not ideal. Board Staff was able to conduct the meeting using the laptop, webcam, and two conference line speakers.

August 23, 2021 – HASLC hired a new IT Manager.

August 30, 2021 – The audio during this Board Meeting was again problematic. Board Staff conducted it using the same laptop, webcam, and two conference line speaker configuration.

On August 31, 2021, the new IT Manager contacted three (3) contractors who specialize in audio/visual equipment to evaluate the Board Room for solutions. Cache Valley Electric Technology Solutions, Webb Electric, Hunt Electric Technology Communications each came onsite by September 3, 2021, to assess the Board Room's audio/visual needs. Each provided a proposal through the Housing Authority's Procurement Manager. The Board awarded Webb Electric (Webb) the contract to install equipment in the configuration that it proposed. Due to shortages and production difficulties during the on-going pandemic, Webb, like all electronic equipment vendors, faced significant difficulties in obtaining equipment. The Housing Authority's permanent equipment was on back order for approximately 14 weeks. In the interim, Webb installed temporary hardware (on loan) and completed its testing by September 21, 2021. The Housing Authority's IT Manager, Executive Assistant and Webb personnel tested that equipment again on September 21 and September 23, 2021.

September 27, 2021 - Audio not ideal, but the Board Meeting was held using Webb's temporary hardware.

Board Staff called Webb back in on September 28, 2021, to again test and reconfigure the temporary new hardware. They found no issues during testing. The temporary system was tested by the Housing Authority's IT Manager and Executive Assistant on October 22, 2021. They moved the temporary soundbar to the end of the table, closer to the meeting participants, and re-tested the configuration. The system worked well during the tests.

October 25, 2021 – During the October Board Meeting the audio was improved, but still was not ideal. Board Staff conducted the meeting using Webb's temporary, installed hardware.

Between the October Board Meeting and early November, the Housing Authority's IT Manager followed up on Webb's order for permanent equipment for the Board Room and continued to address the issues that plagued the Board Meetings with Webb.

November 29, 2021 – Board Staff conducted the Board Meeting using Webb's temporary equipment. The audio was again slightly better, but not ideal.

On January 20, 2022, Webb removed its temporary equipment from the Board Room and installed the new, permanent equipment with the soundbar underneath the TV, rather than on the end of the Board Room table where it had been sitting. That configuration increased the audio issues dramatically. On January 24, 2022, Webb returned to configure the system controller and test the system with the Housing Authority's IT team. The tests were successful, but they included only limited participants.

January 31, 2022 – The audio/visual system failed catastrophically when the Board Room was full and there were several participants joining remotely. The audio was so bad that the Board Commissioners who were participating remotely declining to continue.

On January 31, 2022, the Housing Authority's IT Manager contacted Webb about the catastrophic meeting failure. Webb sent a technician the same day, who brought in a table-top microphone as a temporary remedy until new microphones could be ordered and installed. The IT Manager tested the system and brought Webb back on site on February 1 and 2, 2022, to trouble shoot the system and find a better configuration. Webb and Board Staff tested the reconfigured system on February 2 and the tests were successful.

Out of caution, the IT team held a conference call with Webb on February 3, 2022, with the intent of further adjusting the audio and to fine-tune the settings. Webb sent their senior technician, who removed and replaced the temporary microphone with a distinct mics system. That technician was able to pinpoint and fix some additional issues, further improving the sound quality. To test the system further in a more board meeting-like environment, Webb and our IT team tested the system again using each of the most common video meeting platforms (Teams, Zoom, and Webex) and included several available Housing Authority staff members, many in the Board Room and others calling in remotely. The system worked, albeit more successfully on some platforms than others. The IT Team tested the system again on February 10, 2022, again with the IT Team and other agency staff. The system worked well with Teams and WebEx. The IT Team met with Webb on February 11, 2022, to discuss final issues and to further fine-tune the system.

On February 14th, 2022, however, Webb showed up two hours late and after the IT Team completed all testing. It replaced certain hardware without the IT Team present and one hour before the Special Meeting. The IT team and staff tested the new hardware briefly and believed it was working. They did not have time for a complete test.

February 14, 2022 – With the Board Room full and two remote participants, the audio system failed. Board Staff was forced to cancel the Special Meeting because the remote participants could not hear the proceedings.

Promptly after the failed Special Meeting, the IT Manager contacted Cache Valley Electric (CVE), one of the vendors that had previously submitted a quote but was not selected. CVE came on site and evaluated the equipment and configuration on February 15, 2022. The CVE technician adjusted the settings and found additional issues on February 17, 2022. He determined that, among other things, the switch on the back of the television that controls the USB for the table microphones was set to auto, which did not allow the microphones to work as intended. The audio input was set to use the camera microphone instead of the table microphones. The IT Manager and various staff members tested the re-configured system both in person and virtually with some noticeable improvements in the audio. The IT Manager met with CVE for a revised quote on a professional, permanent solution moving forward. With the ongoing pandemic, equipment and hardware are on backorder. The IT Manager is continuously working on permanent solutions.

ACTION RECOMMENDED:

No action is required. This report is meant as a summary of the Housing Authority's continued determination to rectifying the audio issues in the Board Room so that we can conduct effective Board Meetings without further audio/visual difficulties.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Brenda Koga and Michael Pazzi

Item: Audit Committee Report

Date: February 28, 2022



Housing Authority
of
Salt Lake City

BACKGROUND:

As you may recall the concept of Commission Committees was approved and included in our bylaws September 28, 2020. Our Audit Committee has not met since the conclusion of the 2020 financial audit. Since then, Michael Pazzi has been appointed to the Committee, which met on February 22, 2022.

Each year the Housing Authority is audited by independent CPA firms with reviews of the internal controls, a single audit of Section 8, individual tax credit funded properties (Discretely Presented Component units), and the overall agency. Our contracted auditors usually perform an interim survey at the end of the calendar year or early the next year reviewing internal controls and preparing to perform a draft single audit of the Section 8 program as the largest federal program. More exhaustive audit work is then performed mid-February concentrating on the Tax Credit properties for timely approval by lenders and preparation of the tax returns. These properties are LLC's and receive separate audit reports.

UPDATE:

Staff reviewed the audit requirements of the Housing Authority and introduced Brent Stratton, Senior Audit Manager, who has now joined Haynie CPA's.

Brent Stratton summarized the process and the timing of the 2021 Audit, which is now underway. The Section 8 single audit has been delayed and the Tax Credit fieldwork started February 14th, later than the prior year but Brent assured us we would still be on schedule for completion and stated, "we're in far better shape than last year." Staff have been working with Brent to correct prior year audit report variances to equity from mapping of accounts and for the final reporting to HUD. Brent has started his concentration on the Tax Credit properties to provide these audits to Utah Housing Corporation and the partners which have an earlier deadline than the agency audit submission required by Housing and Urban Development (HUD). (Note that one tax credit property is audited by another firm)

SUMMARY AND NEXT STEPS:

The 2021 Audit work has started at a late date, but we are assured this work will be completed within schedule. The Committee plans to meet again on April 19, 2022.

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Zac Pau'u



Department: Property Management

Item: Key Performance Indicators (KPIs) January 2022

Date: February 28, 2022



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 below tables detail KPIs and metrics in focus, as well as other informational data points to help identify deficiencies and make appropriate corrections. Units impacted by extraordinary circumstances such as methamphetamine remediation, flood, or fire are excluded.

ANALYSIS:

KPI: Average Occupancy for January 2022

Metric: >95% for stabilized properties

(The below excludes City Plaza and Phillips Plaza, as we are holding 43 units for on-site temporary relocations.)

| Average Occupancy | Jan |
|-------------------|-------|
| All Properties | 92.6% |

| Move-ins | Jan |
|----------------|-----|
| All Properties | 24 |

| Move-outs | Jan |
|----------------|-----|
| All Properties | 21 |

| Work Orders Completed | Jan |
|-----------------------|------|
| All Properties | 1412 |

| | |
|------------------------------------|-----|
| Unit Turnarounds Completed | Jan |
| All- HASLC and Third-Party Managed | ~43 |

KPI: Average Number of Days Vacant for January 2022

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 still greatly exceed the norm due to a variety of mitigating circumstances including lessor priority and fewer resources for “make-ready” (unit repair and preparation) during pandemic - as well as wait list delays.

Days Vacant

| | |
|----------------|-----|
| | Jan |
| All Properties | ~54 |

KPI: Tenant Accounts Receivable (TARs)

Metric: 4% of Potential Rent or less.

January's combined total owed for all properties is \$323,869, a decrease from our last reporting of \$36,860. We continue to maintain “payback agreements” in the amount of \$104,365. Additionally, ~\$31.4k of the total is owed subsidy, which are due to incomplete section 8 re-certifications as well as new move-ins awaiting payment an increase of \$19,400 from our last report.

| Type of Funding | Number of Pending Applications | Number of Denied Applications | Number of Approved Applications | Dollar Amount Approved |
|--|--------------------------------|-------------------------------|---------------------------------|------------------------|
| Emergency Rental Assistance Payments (ERAP) | 55 | 71 | 138 | \$519,850 |
| Community Reinvestment Act (CRA) | 0 | 0 | 44 | \$13,333 |
| Community Development Block Grant (CDBG) | N/A | N/A | 6 | \$3,705 |
| Supportive Service for Veteran Families (SSVF) | 0 | 0 | 15 | \$26,175 |
| Temporary Assistance to Needy Families (TANF) | 7 | 4 | 13 | \$57,587 |
| Community Assistance Program (CAP) | 0 | 0 | 2 | \$5,700 |
| Total | 54 | 71 | 360 | \$646,350 |

FINANCIAL IMPACT:

AGED RECEIVABLES OWED

Although “payback agreements” reduce current rental collections, they are preventing evictions and subsequent expenses. Our efforts to keep residents who were financially affected by COVID-19 housed continue as we aggressively seek emergency financial relief. These efforts have decreased the overall amount owed by \$646,350, an increase of \$29,093 since our last reporting with more assistance payments expected.

BUDGETS

Although the combined property occupancies are below the budgeted percentage, many properties are above their budgeted occupancy. Despite incurred vacancy loss, the total portfolio reflects a positive variance of 1.67% from the budgeted income and shows us in line with the budget in income and expenses to close out 2021.

ACTION RECOMMENDED:

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

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Jackie Rojas
Department: Section 8



Report Name: Voucher Leasing and Budget Utilization

Date: February 28, 2022



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 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 6,500 persons and provides rental payments to roughly 1,000 private landlords each month.

FUNDING AND UTILIZATION:

The Voucher Programs throughout the U.S. are tasked with very complex administration by HUD, including difficult funding and utilization formulas. Housing Authorities are awarded an annual "Budget Authority" - ostensibly the maximum amount of funding to provide rental subsidy thru the year for Housing Choice Vouchers. The "Budget Authority" is based on the previous year's expenditure plus an inflation factor.

- The number of Housing Choice Vouchers, also known as Unit Months Available (UMA) is 2,904. The annual maximum UMA that may be leased in 2022 is 34,848.
- The 2022 Budget Authority is \$24,918,648.
- **In addition, HASLC has \$1,485,685 prior year-end reserves. Our total available funding for 2022 is \$26,404,333.**

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 are negative impacts for the future of the program.

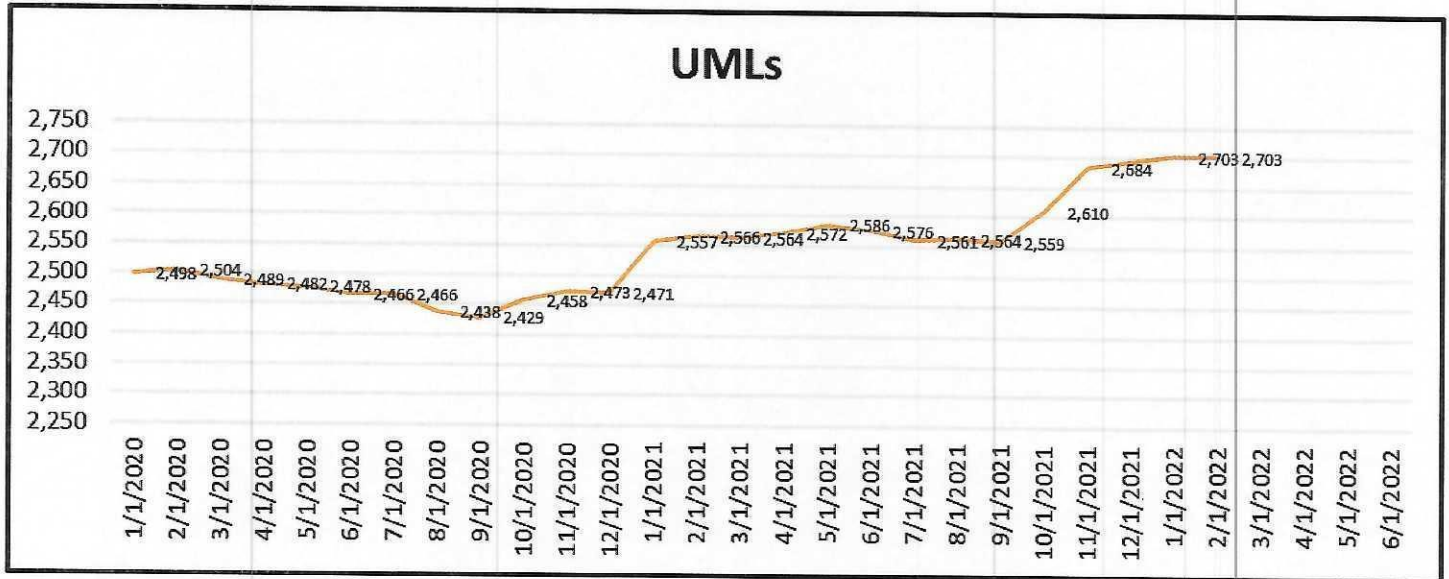
UPDATE SUMMARY:

The attached data demonstrates Leasing and Budget utilization through the month of January 2022.

- The total number of assisted units in January 2022 is 2,703. Voucher utilization is 7.76% of available UMA.
- January 2022 expenditure of Budget Authority is \$2,066,448. This is 8.05% of the 2022 Budget Authority.
- **Target utilization of overall funding (including prior year reserves) is 8.33 %, we are currently at 8%.**

These numbers are HUD’s early estimates, and they will likely be adjusted to some extent. Our Budget Authority for 2022 increased by \$ 2,420,859. This increase was based on our full expenditure of last year’s Budget Authority plus an inflation factor determined by HUD. We also received additional funding for 10 new vouchers of Tenant-Based Veterans Affairs Supportive Housing (VASH).

As shown in the graph below, our Unit Months Leased (UML) dropped in 2020 and has steadily increased as we work towards utilizing all available program funds.



CONCLUSION:

We continue to forge ahead with leasing and spending. We plan to continue selecting households from our waiting lists and leasing new households through 2022. Our ongoing goal is to fully utilize our funding by increasing the number of households we assist while keeping household rent burden at or below 30% of adjusted monthly income.

Section 8 Leasing and Budget Summary as of January 31, 2022

| MONTH | 2021 Unit Months Available (UMA) | Actual Units Leased |
|-----------|----------------------------------|---------------------|
| JANUARY | 2,904 | 2,703 |
| FEBRUARY | 2,904 | |
| MARCH | 2,904 | |
| APRIL | 2,904 | |
| MAY | 2,904 | |
| JUNE | 2,904 | |
| JULY | 2,904 | |
| AUGUST | 2,904 | |
| SEPTEMBER | 2,904 | |
| OCTOBER | 2,904 | |
| NOVEMBER | 2,904 | |
| DECEMBER | 2,904 | |
| | 34,848 | 2,703 |

Reporting month target 8.33% 7.76%

| MONTH | 2021 Budget Authority | ACTUAL HAP EXPENSES |
|-----------|-----------------------|---------------------|
| JANUARY | \$ 2,076,554 | \$ 2,006,448 |
| FEBRUARY | \$ 2,076,554 | |
| MARCH | \$ 2,076,554 | |
| APRIL | \$ 2,076,554 | |
| MAY | \$ 2,076,554 | |
| JUNE | \$ 2,076,554 | |
| JULY | \$ 2,076,554 | |
| AUGUST | \$ 2,076,554 | |
| SEPTEMBER | \$ 2,076,554 | |
| OCTOBER | \$ 2,076,554 | |
| NOVEMBER | \$ 2,076,554 | |
| DECEMBER | \$ 2,076,554 | |
| | \$ 24,918,648 | \$ 2,006,448 |

Reporting month target 8.33% 8.05%

2021 Year End Unutilized HAP dollars \$1,485,685.00
2022 Total Funds Available **\$26,404,333.00**

| | |
|---|--|
| YTD Target Utilization with Addition of Prior Year | YTD Actual Utilization of all Funding Available |
| 8.33% | 8% |

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Daniel Nackerman

Department: Executive

Subject: **Executive Director Update**

Date: 02-28-2022



Housing Authority
of
Salt Lake City

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

- 1) OFFICE STAFF FULLY RETURNED FEBRUARY 14. Second round in approximately two years of Covid work-from-home when possible.
- 2) SIGNIFICANT FUNDING FOR NEW DEVELOPMENTS (OR ACQUISITION) BEING GATHERED. Refinancing's and sale of existing properties, plus developer fees arriving, bode well for creating more affordable housing.
- 3) TENANT COMPLAINT THROUGH HUD FAIR HOUSING ISSUED IN MARCH 2021 THEN CONTINUALLY AMENDED WITH NEW CLAIMS: HAME took further actions this month that may have ramifications. A group will convene to formulate recommendations to the Board before any further actions, perhaps at a special meeting.
- 4) EXECUTIVE DIRECTOR HOLDS MEETING WITH VA SECRETARY DENIS MCDONOUGH. Discussions surround alternative funding for homeless veteran housing; streamlining of VA programs; success of HASLC's Valor House property & related programs, and overall homeless response in Utah.
- 5) NEW AWARD-WINNING PROJECT CAPITOL HOMES OVER 75% FILLED. Construction close-out difficulties addressed regularly.
- 6) GOVERNOR COX VISITS PROPERTY AND HOLDS DISCUSSIONS WITH STAFF/TENANTS. State housing officials and homeless advocate Pamela Atkinson attend event sponsored by HASLC at Pamela's Place Apartments to encourage homeless funding through income tax choice.
- 7) HUD EXECUTIVES TOUR CAPITOL HOMES. Also attend web meeting on yearly update of HASLC accomplishments and challenges.
- 8) EXECUTIVE DIRECTOR MEETS WITH STATE SENATOR ANDEREGG. Discussions surround modular buildings, funding for development and first-time homes. HASLC offered as major resource regarding housing.
- 9) HR SYSTEM IMPROVEMENTS UNDERWAY. Excellent report and road map completed by consultant; much work to do.
- 10) REFUGEE HOUSING CONSIDERED FOR BOARD POLICY DIRECTION. Request(s) received to assist with Afghanistan refugee housing funded by the State of Utah.
- 11) GLOBAL CHANGE MADE WITH REGARD TO EVALUATING THE PROCURMENT OF CONTRACTORS, VENDORS AND SUPPLIERS. Costs re-emphasized with regard to evaluation criteria on 'Request for Proposals' (RFP's)

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

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Board Chair
Department: Commission

for



Housing Authority
of
Salt Lake City

Item: Chair Report

Date: 02/28/2022

BACKGROUND:

Thank you for your service on behalf of our residents – particularly our low-income seniors, children, those with disabilities, and those coming out of homelessness. A stable and safe place to live is so important as we are particularly reminded during some of these times of extremely cold weather. Note that what we do has a far-reaching impact.

BOARD STATUS:

As you know our Board (Commission) is now full except for the Resident Commissioner slot, and HASLC staff is working with the City of Salt Lake staff with at least one interested candidate.

TRAINING AND CONFERENCES:

Trainings and related conferences may be very important for HASLC Commissioners. Many continue as virtual and some are now live. Our primary industry groups are as follows:

- *NAHRO National Association of Housing & Redevelopment Officials*
- *PHADA Public Housing Authorities Directors Association*
- *CLPHA Council of Large Public Housing Authorities*
- *NLHA National Leased Housing Association*
- *NH&RA National Housing & Rehabilitation Association*

One particular conference of interest might be “Essential Training for Commissioners” to be held April 6-8 in Clark County, NV by The Nelrod Consortium. Topics include timely areas such as property conversion, governing documents and agreements, understanding HA financial positions, and selecting the right developer/investor.

Please let the Chair or the Executive Director know if you are interested in this training or others.

END OF COMMISSION BOARD PACKAGE