



**WORKFORCE
SERVICES**
HOUSING & COMMUNITY
DEVELOPMENT

PRIVATE ACTIVITY BOND PROGRAM

PRIVATE ACTIVITY BOND PROGRAM
NOTICE OF PUBLIC MEETING

April 20, 2023 at 12:00 p.m.

This meeting will be streamed at <https://utah-gov.zoom.us/j/87434255254>

John T. Crandall, Chairman of the Board

Board Members Present:

John Crandall, Chairman
Dean Lundell, Lehi City
David Damschen, UHC
Kamron Dalton, GOEO
Kirt Slaugh, Utah Treasurer's Office
Nate Tally, USHE
Sheri Dearden, Millard County

Curtis Koch, Davis County
Chip Dawson, South Jordan City
Ricky Hatch, Weber County
Heidi Voordeckers, ULCT

Staff Present:

Christina Oliver, HCD Director
McKenna Marchant, HCD Staff
Jennifer Edwards, HCD Assistant Director
Stacey Herpel, HCD Staff

Carver Black, HCD Finance Advisor
Brook McCarrick, State Attorney General's
Office
Dan Murphy – HCD Staff
Sarah Nielson – Public Relations Officer

Guests Present:

David Brint
Ashley Grant
Ian Peterson
Whitney Weller
Ryan Davis

Kristina Harrold
Todd Reeder
Dave Miner
Corey Johnson
Jeff Nielson

I. Welcome and Introductions

II. Approval of Minutes

a. January 11, 2023

Motion to approve minutes as written made by Ricky Hatch and seconded by Curtis Koch. The motion passed by roll call vote with affirmative votes by Kamron Dalton, Kirt Slauch, Nate Talley, Ricky Hatch, Sheri Dearden, Dean Lundell, Heidi Voordeckers, and Curtis Koch. With two absences.

b. March 22, 2023

Motion to approve minutes as written made by Dean Lundell and seconded by Kirt Slauch. The motion passed by roll call vote with affirmative votes by Kamron Dalton, Kirt Slauch, Nate Talley, Ricky Hatch, Chip Dawson, Sheri Dearden, Dean Lundell, Heidi Voordeckers, and Curtis Koch. With one absence.

III. Status of Accounts: Kaylee Beck

Ms. Beck stated that the current volume cap stands at \$62,004,604 million in multi-family, the increase is due to Ville 9 relinquishing its volume cap of \$9.6 million. There was \$48 million in Manufacturing and \$62 million in Multi-Family available for allocation at the meeting. There were enough funds based on the projects that were presented to fund all them if the Board chose to do so.

IV. Volume Cap Extension Requests

A. Single Family Housing

1. Utah Housing Corporation

\$154,214,445

Requested Single Family Allotment for 2023

First

B. Multifamily Housing Projects

1. Price Apartments

168 Units – 100% Affordable

New Construction

Developer – CJM Development

Original Allocation - \$20,500,000 [January 11,2023]

First

Main Street and
Airport Road
Price, UT. 84501

2. Liberty Corner

172 Units – 100% Affordable

New Construction

Developer – Cowboy Partners

Original Allocation - \$42,100,000 [January 11, 2023]

First

1285 S 300 W
SLC, UT 84101

3. Silos on 500

175 Units – 100% Affordable

New Construction

Developer – Lowe Holdings

Original Allocation - \$20,000,000 [January 11, 2023]

First

515 S 500 W
SLC, UT 84101

- 4. 9Ten West** **First**
175 Units – 100% Affordable
New Construction 910 W Temple
Developer – Great Lakes Capital SLC, UT 84116
Original Allocation - \$14,486,000 [January 11, 2023]
- 5. Lotus Citywalk** **First**
99 Units – 100% Affordable
New Construction 1860 Lincoln Ave
Developer – Lotus Development Ogden, UT 84410
Original Allocation - \$18,750,000 [January 11, 2023]
- 6. Lotus Lincoln** **First**
99 Units – 100% Affordable
New Construction 265 22cd Street
Developer – Lotus Development Ogden, UT 84410
Original Allocation - \$16,000,000

Motion made to approve first requested allotment for the aforementioned projects by Kirt Slauch and seconded by David Damschen. The motion passed by roll call vote with affirmative votes by Kamron Dalton, Nate Talley, Ricky Hatch, Chip Dawson, Sheri Dearden, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

- 7. Magnolia at Homestead** **Third**
140 Units – 100% Affordable
New Construction 650 W 400 N
Developer – Wasatch Affordable Ventures Logan, UT 84321
Original Allocation - \$17,700,000 [July 13, 2022]

Motion made to approve the third requested allotment by Kamron Dalton and seconded by Chip Dawson. The motion passed by roll call vote with affirmative votes by David Damschen, Kirt Slauch, Nate Talley, Ricky Hatch, Sheri Dearden, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

- 8. Homestake** **Third**
124 Units – 79% Affordable
New Construction 1875 Homestake Rd.
Developer – J. Fisher Co. Park City, UT 84060
Original Allocation - \$45,000,000 [July 13, 2022]
Current Allocation - \$48,000,000 [January 11, 2023]

Motion made to approve the third requested allotment by Curtis Koch and seconded by David Damschen. The motion passed by roll call vote with affirmative votes Kamron Dalton, Kirt Slauch, Nate Talley, Ricky Hatch, Chip Dawson, Sheri Dearden, Dean Lundell, and Heidi Voordeckers.

9. Syracuse Affordable

300 Units – 100% Affordable
New Construction
Developer – Wasatch Residential
Original Allocation - \$45,000,000 [July 13, 2022]
Current Allocation - \$48,000,000 [January 11, 2023]

Third

1700 W 300 S
Syracuse, UT 84075

Motion made approve third requested allotment by Kirt Slaugh and seconded by David Damschen. The motion passed by roll call vote with affirmative votes by Kamron Dalton, Nate Talley, Ricky Hatch, Chip Dawson, Sheri Dearden, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

10. Silvercrest

53 Units – 99% Affordable
New Construction
Developer – Salvation Army
Original Allocation - \$8,550,000 [July 13, 2022]

Third

2615 Grant Avenue
Ogden, UT 84401

Motion made approve third requested allotment by Ricky Hatch and seconded by Nate Talley. The motion passed by roll call vote with affirmative votes by David Damschen, Kamron Dalton, Kirt Slaugh, David Damschen, Curtis Koch, Ricky Hatch, Chip Dawson, Dean Lundell, and Heidi Voordeckers.

11. Howick

150 Units – 100% Affordable
New Construction
Developer – Blueline & CDC Utah
Original Allocation - \$30,000,000 [July 13, 2022]

Third

4101 S Howick St
Millcreek, UT 84107

Motion made approve third requested allotment by Dean Lundell and seconded by Curtis Koch. The motion passed by roll call vote with affirmative votes by Kamron Dalton, Kirt Slaugh, Nate Talley, Ricky Hatch, Chip Dawson, Sheri Dearden, Heidi Voordeckers, and David Damschen.

12. Glendale Gardens

120 Units – 100% Affordable
New Construction
Developer – Mana 7 Charities & TCB Industries
Original Allocation - \$16,000,000 [October 12, 2022]

Second

406 E 300 S
SLC, UT 84111

Motion made approve second requested allotment by Nate Talley and seconded by Kirt Slaugh. The motion passed by roll call vote with affirmative votes by David Damschen, Kamron Dalton, Ricky Hatch, Chip Dawson, Sheri Dearden, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

13. MODA Greenwell

176 Units – 100% Affordable
New Construction
Developer – J. Fisher Co.
Original Allocation - \$27,550,000 [October 12, 2022]

Second

2459 Quincy Avenue
Ogden, UT 84401

Motion made approve second requested allotment by Sheri Dearden and seconded by Chip Dawson. The motion passed by roll call vote with affirmative votes by David Damschen, Kamron Dalton, Nate Talley, Ricky Hatch, Kirt Slauch, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

V. New Volume Cap Requests	Amount Requested
A. Multifamily Housing Projects	
1. SPARK!	\$5,000,000
200 Units – 100% Affordable	
New Construction	<i>1500 W North Temple</i>
Developer – Brinshore	<i>SLC, UT 84116</i>

Brinshore received their original bond allocation of \$42.6 million for this project in November of 2021 and received an additional \$3 million in July of 2022. They closed on their bond in December of 2022. In January of 2023 the city came back to them and said that there was significant work needed on the sewers. With the sewer increases they're at less than 50%. With the additional they'll be at 55%. Brinshore has provided a letter stating that they will relinquish anything over 51%.

Discussion ensued on if Brinshore could retract their letter offering to relinquish anything over 51%.

Motion made approve Brinshore's request of \$5 million with no stipulations by David Damschen and seconded by Kamron Dalton. The motion passed by roll call vote with affirmative votes by Sheri Dearden, Chip Dawson, Nate Talley, Ricky Hatch, Kirt Slauch, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

2. Skyline Apartments	\$19,367,000
112 Units – 100% Affordable	
New Construction	<i>430, 443, 448 N Fairfield Rd</i>
Developer – Hampstead	<i>Layton, UT 84041</i>

This is a rehab project. It is eight two-story residential buildings with an attached laundry room and community center will be built and contain a leasing office and maintenance shop. The project buildings were built in 1973, 1974, and 1978. This property is currently under Low-Income Housing Preservation and Resident Homeownership Act contracts which expire in 2037 & 2039. The developers have submitted a request for a new 20-year preservation HAP contract. The project does include a temporary relocation plan for current residents during the construction process due to the plumbing scope of work. Amenities include two new modern play areas and bike racks. The tax credit pricing is better than the nation average of \$0.90, this project is at \$0.97.

Motion made approve Brinshore's request of \$19.367 million by Curtis Koch and seconded by Heidi Voordeckers. The motion passed by roll call vote with affirmative votes by Sheri Dearden, Chip Dawson, Nate Talley, Ricky Hatch, David Damschen, Kirt Slauch, Dean Lundell, and Kamron Dalton.

B. Multifamily Housing Projects	
1. Spor Mountain (Ares)	\$10,000,000
Fluorspar Mining Project	
New Construction	<i>Millard County</i>

Developer – Ares Strategic Mining

The applicant requested \$10 million. The project is located in Millard County. The bonds will be used to fund the development of a manufacturing plant near Fillmore and consist of a 6,000 sqft manufacturing plant, a 970 material storage area, a 1,400 finished product storage area, 1,000 office space, and 500 research space totaling 9,870. The Spor Mountain deposits began production in 1944 and continue to present. It is the only important source of fluorspar in Utah, reportedly yielding approximately 320,000 tons of fluorspar material until 1980. These deposits are considered to be high quality deposits. Presently there are no active fluorspar mines in the US. And is the only classified critical mineral that is 100% imported from non-US sources. They did include a report that examined all Federal, state, and local permits, approvals and requirements and the report concluded that the water, air and wildlife issues will not be impacted. The terms of the bonds are expected to be a fixed rate between 8-10% (the original application last year anticipated a rate between 4-4.5%) and are anticipated to close between April or May. There is residual interest in the offering from the December offering period. The manufacturer did have an interested party to purchase the bond in December, but because of the due diligence period, they were unable to close on the bond before the December deadline. The manufacturer has stated that the deal will look even more attractive is Ares is able to close on the USDA loan prior to the PAB bonds. They do have Preliminary Limited Offering Memorandum ready to go to market immediately after receiving PAB bonds.

Motion made approve Brinshore's request of \$5 million with no stipulations by Sheri Dearden and seconded by Ricky Hatch. The motion passed by roll call vote with affirmative votes by Chip Dawson, Nate Talley, Kamron Dalton, Kirt Slauch, Dean Lundell, Heidi Voordeckers, and Curtis Koch.

IV. Other Business and Adjournment

No other business items.

Board Member Dalton requested that the representative from the A.G.'s office look into if the Board can attach stipulations to a bond request and report back to the Board.

Further discussion ensued regarding when the 50% is verified. Dave Minor stated that is it verified at the time of construction close, but no lender will give money if you're not meeting it at the time you close on your financing (and close on your bonds).

The meeting of the PAB Board of Review was adjourned at 11:32am.

A. Next Meeting – Wednesday, April 23, 2023

MINUTES APPROVED ON: _____

CERTIFIED CORRECT BY: Stacey Herpel & McKenna Marchant