MINUTES OF THE PROVO CITY HOUSING AUTHORITY BOARD OF COMMISSIONERS & PROVO NONPROFIT HOUSING DEVELOPMENT CORPORATION BOARD OF DIRECTORS

Regular Meeting

Date:	Tuesday, December 20, 2011
Time:	4:15 p.m. - 6:00 p.m.
Location:	650 West 100 North Provo, Utah

Opening Business

1. **Welcome and Roll:** Chairperson Gale welcomed the Board and called the meeting to order at 4:21 p.m. Chairperson Douglas Gale, Commissioner Valerie Lee, and Commissioner Dave Gardner, Commissioner Cindy Richards, and Commissioner Craig Carlile were present. Vice-Chair Jonathan Kau was excused from the meeting.

   Douglas Carlson, Executive Director, Cindy Daley, Rental Subsidy Manager, April Smith, Owned Housing Manager, Donna Smith, Financial Services Manager, Dean Clement, Facilities Manager, and Erin Haley, Executive Assistant from the staff were present.

2. **Approval of Minutes from October 26, 2011:** Chairperson Gale referred the Board to the Minutes, located in Tab 1. Commissioner Richards noted one spelling error and two title corrections. Commissioner Richards moved to approve the Minutes from October 26, 2011 as amended. Commissioner Carlile seconded the motion. The motion passed unanimously, 5:0.

Report of the Executive Director

1. **St. Francis LIHTC Application:** Chairperson Gale referred the Board to Tab 2, which contained a scoring summary for the Utah State and Federal Low Income Housing Tax Credit (LIHTC) application. Mr. Carlson informed the Board that there was a deficiency in the St. Francis application which was noticed late in the review. The said deficiency was due to a misinterpretation of the requirements for an appraisal of the property. The Board discussed the LIHTC requirements, and the application process. Mr. Carlson informed the Board that the consultant hired for the application had returned his fee due to the misinterpretation. Mr. Carlson stated that he felt that the consultant should receive some compensation for services rendered. The Board agreed to a payment of half of the original fee.

2. **REAC Inspection Summary Report:** Chairperson Gale referred the Board to Tab 3, which contained the REAC (Real Estate Assessment Center) Inspection Summary Report. Mr. Carlson explained that HUD hires independent inspectors to assess Public Housing properties. In recent years the PCHA has scored in the high 80s to low 90s. This year many of the Housing Authorities in Utah, who were all inspected by the same inspector, have received unusually low scores. The PCHA's score was a 68. Mr. Carlson stated that the majority of Housing Authorities, including the PCHA are protesting their scores, and the Denver HUD office is aware of the complaints. Mr. Clement described some of the items which had been recorded as "life threatening" including stucco chipping on a foundation, a flower bed with some seasonal erosion, and a broken weather seal on a storage building. The Board discussed issues related to the inspection and HUD's classifications for housing authorities ranging from High Performer to Troubled. The impact on the PCHA from this inspection is significant and may drop our rating from High to a Standard Performer.

3. **South Franklin Community Center:** Chairperson Gale asked Mr. Carlson to update the Board on the progress of the South Franklin Community Center. Mr. Carlson informed the Board that he was in discussions with Habitat for Humanity to work as the General Contractor/ Construction Manager for the project. Habitat has experience, and can organize community volunteers to help close the financing gap.

Discussion Item

Housing Authority Consolidation: Chairperson Gale asked Mr. Carlson to update the Board regarding the issue of the consolidation of Housing Authorities. Mr. Carlson informed the Board that the Housing Authority of Utah County had recently announced their choice for Executive Director, following the current Director's retirement. The Board discussed the advantages and disadvantages related to a consolidation.

Action Items

1. **Approval of a Section 8 Management Assessment Program Certification for FY2010:** Chairperson Gale referred the Board to Tab 4, which contained Certification for the Section 8 Management Assessment Program (SEMAP). Mr. Carlson explained the HUD assesses the performance of the Housing Choice Voucher program financially and programmatically.

   Commissioner Gardner moved to approve the Section 8 Management Assessment Program Certification for FY2010. Commissioner Lee seconded the motion. The motion passed unanimously, 5:0.

2. **Approval of a Public Housing Flooring Contract in the Amount of $53,129 with Rob's Floor Covering:** Chairperson Gale referred the Board to Tab 5, which contained a contract with Rob's Floor Covering to replace carpet and tile in the common areas of Valley Villa.

   Commissioner Carlile moved to approve the Public Housing Flooring Contract with Rob's Floor Covering. Commissioner Richards seconded the motion. The motion passed unanimously, 5:0.

3. **Approval of Project Operating Budget Revisions for the Fiscal Year Ending December 31, 2011:**

   a. Crimson Court Apartments, L.C.
   b. Provo Westgate Apartments, L.C.
   c. Provo CROWN I, L.L.C
   d. Maple View Apartments, L.L.C
   e. Canyon View Apartments, L.L.C
   f. Maeser School Partners, L.L.C
   g. Provo Nonprofit Housing Development Corporation

   Commissioner Gale referred the Board to Tab 6, which contained the Operating Budget Revisions for projects with the Fiscal Year Ending December 31, 2011. Mr. Carlson stated that there are not any concerns related to these projects, and that they are well funded with high reserves. The Board briefly discussed rental income and trends related to housing.

   Commissioner Richards moved to approve the Operating Budget Revisions for projects with a fiscal year ending December 31, 2011 which include Crimson Court Apartments, L.C., Provo Westgate Apartments, L.C., Provo CROWN I, L.L.C., Maple View Apartments, L.L.C., Canyon View Apartments, L.L.C., Maeser School Apartments, L.L.C., and the Provo Nonprofit Housing Development Corporation. Commissioner Lee seconded the motion. The motion passed unanimously, 5:0.

4. **Approval of Project Operating Budget for the Fiscal Year Ending December 31, 2012:**

   a. Crimson Court Apartments, L.C.
   b. Provo Westgate Apartments, L.C.
   c. Provo CROWN I, L.L.C
   d. Maple View Apartments, L.L.C
   e. Canyon View Apartments, L.L.C.

f. Maeser School Partners, L.L.C.
g. Provo Nonprofit Housing Development Corporation

Chairperson Gale referred the Board to Tab 7, which contained Operating Budgets for projects with the Fiscal Year Ending December 31, 2012. Mr. Carlson stated that the budgets attempt to get as close as possible to a break-even at the end of the year, and include spending on appropriate capital improvements. Adjustments will be necessary according to rental trends and property needs.

Commissioner Gardner moved to approve the Operating budgets for the following projects with the Fiscal Year Ending December 31, 2012: Crimson Court Apartments, L.C., Provo Westgate Apartments, L.C., Provo CROWN I, L.L.C., Maple View Apartments, L.L.C., Canyon View Apartments, L.L.C., Maeser School Apartments, L.L.C., and the Provo Nonprofit Housing Development Corporation. Commissioner Carlile seconded the motion. The motion passed unanimously, 5:0.

5. Set Board Meeting Schedule for 2012: Chairperson Gale referred the Board to Tab 8, which contained a calendar for 2012. He stated that under the requirements of the Utah Open Meetings Act the Board would need to set and publish the meeting schedule for the year. Mr. Carlson stated that the schedule could be republished if any changes were found necessary as the year progressed. The Board discussed their general availability and preferences. The Board chose the following schedule for 2012: February 22nd, March 28th April 25th, May 23rd, June 27th, July 25th, August 29th, September 26th, October 24th, November 28th, and December 19th, with a meeting time of 4:15 pm.

Adjourn Commissioner Carlile moved to adjourn the Regular Meeting. Commissioner Gardner seconded the motion. The motion passed unanimously, 6:0. The meeting closed at 5:39 p.m.

The next meeting of the Provo City Housing Authority Board of Commissioners and Provo Nonprofit Housing Development Corporation Board of Directors is scheduled for Wednesday, February 22, 2012 at 4:15 p.m.