

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



Regular Meeting

Date: Wednesday, February 26, 2014

Time: 4:15 p.m.-6:00 p.m.

Location: 650 West 100 North
Provo, Utah

Opening Business

1. **Welcome and Roll Call:** Chairperson Gale welcomed the Board and called the meeting to order at 4:15pm. He noted that this was the first meeting with Jeremy Runia as Executive Director. The following Commissioners were present when the meeting was called to order: Chairperson Douglas Gale, Vice-Chair Jonathan Kau, Commissioner Craig Carlile Commissioner David Gardner, Commissioner Buddy Richards and Commissioner Valerie Lee.

The following members of the staff were present: Jeremy Runia, Executive Director; Donna Smith, Financial Services Manager; Dean Clement, Facilities Manager; Cindy Daley, Rental Subsidy Manager; April Smith, Owned Housing Manager; and Erin Haley, Executive Assistant.

Officer Josh Jennings, from the Provo Police Department was also present.

2. **Approval of Minutes for December 18, 2013:** Chairperson Gale referred the Board to Tab 1, which contained the minutes from December 18, 2013 and asked if anyone had any questions or comments about the Minutes. Commissioner Lee moved to approve the Minutes from December 18, 2013. Commissioner Richards seconded the motion. The motion passed unanimously 6:0.
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Report of the Executive Director: Chairperson Gale requested that the Mr. Runia give the Board his Report.

1. Project Reports

- a. **St. Francis Apartments:** Mr. Runia stated that he was continuing with pre-development activities including site tours for groups interested in partnering on the project.
- b. **Ekins Property:** Mr. Runia stated that the RFP had gone out for contractors for this project and he believed that 12-14 companies would respond. He stated that he would come back to the Board with a decision at the next meeting. Additionally, he stated that he expected that the building permit would be issued by the next meeting.
- c. **Franklin Heights CROWN:** Mr. Runia informed the Board that more than 80 households had attended the meeting about the Franklin Heights CROWN program. He stated applicants would be selected from those who attended the meeting. He went on to say that he anticipated a ribbon cutting ceremony for the project and stated that he would give the Board notice of such a ceremony.
- d. **Other Business:** No other business was discussed at this time.

2. **iGoogle Formal Announcement: Daily Herald Article:** Mr. Runia referred the Board to Tab 2, which contained an article from the Daily Herald regarding the PCHA receiving service from iGoogle. Mr. Runia stated that the technical systems which included the internet and the phone system had caused some frustration over the past few weeks. He went on to say that if the need came for a second opinion he would like to contract with Jess Bird whom he has worked with in the past.
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Discussion Items

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- 1. Other Business: Public Comments:** No members of the public were present to make any public comments, however, Chairperson Gale asked Mr. Runia to explain to the Board why the time had been added to the Agenda. Mr. Runia explained the details of an issue that had recently taken up staff time as well as his time, regarding the complaint of a Housing Choice Voucher recipient. The Board discussed the issues related to the complaint.
- 2. Grant Award of \$80,573 for Family Self-Sufficiency Program: Renewal for 2 FTE Positions:** Chairperson Gale referred the Board to Tab 3, which contained a letter from HUD notifying the PCHA that we had received a grant award of \$80,573 for the Family Self-Sufficiency program. Mr. Runia stated that he was satisfied with the award of this grant.
- 3. HUD SEMAP Score Report of High Performer: 103%:** Chairperson Gale referred the Board to Tab 4, which contained Tab 4, the score from HUD for SEMAP which annually evaluates the Section 8 Housing Choice Voucher Program. Mr. Runia stated that the PCHA had received the status of "High Performer" and a score of 103%. The members of the Board congratulated the staff, including Cindy Daley, Rental Subsidy Manager, for their good work.
- 4. Clifford Motor Property: Updates on Current Renters:** Chairperson Gale referred the Board to Tab 5, which contained information the current debt of Certified Auto. Mr. Runia informed the Board that the current amount unpaid rent was \$28,000. He asked the Board for direction on how to proceed. The Board discussed the options including eviction.
- 5. Discussion of Press Release:** Chairperson Gale referred the Board to Tab 6, which contains a copy of the press release regarding the retirement of Doug Carlson and the appointment of Jeremy Runia. The Board discussed the fact that the story was not picked up by any local newspapers.

Officer Jennings left the meeting at 4:56 pm.

Action Items

- 1. Authorization of the Executive Director to Secure Legal Services with Jeffs & Jeffs, PC:** Chairperson Gale referred the Board to Tab 7, which contained information about Jeffs & Jeffs, PC as well as an additional attorney Justin D. Heideman. Mr. Runia stated that he had interviewed the two recommended firms and felt that Jeffs & Jeffs would provide the best service for the PCHA and asked that the Board authorize the Executive Director the secure services with them in the future. He stated that the services would be on an as needed basis, there was not a need for a contract or retainer. Commissioner Carlile stated that he was comfortable with the choice.

Commissioner Gardner moved to authorize the Executive Director to Secure Legal Services with Jeffs & Jeffs, PC. Commissioner Lee seconded the motion. The motion passed unanimously, 6:0.

- 2. Approval to Change the PCHA's Observed Holiday Schedule for Calendar Year 2015:** Eliminate Martin Luther King Day and Add President's Day: Chairperson Gale referred the Board to Tab 8, which contained a calendar for the year 2015. Mr. Runia stated that the staff had almost unanimously requested the switch from Martin Luther King Day to Presidents' Day to match the holidays that their families have off. The Board briefly discussed holiday scheduling.

Vice-Chair Kau moved to approve the Observed Holiday Schedule Change for Calendar Year 2015.

Commissioner Lee seconded the motion. The motion passed unanimously, 6:0.

- 3. Approval of Update to Maintenance Charge Schedule:** Chairperson Gale referred the Board to Tab 9, which contained the Damage and Maintenance Charge Schedule for Public Housing as well as the Tenant Maintenance Guide. Mr. Runia stated that he had asked Dean Clement, Facilities Manager, to review and update the tenant charges as well as include an element for labor which hadn't been included in the past. Mr. Runia stated that he felt this was not onerous to residents, and would come from tenant deposits but would be a deterrent for tenant caused damages. Commissioner Gardner asked how often tenants significantly damage the units. Mr. Clement stated that some tenants are worse than others, and often we don't find the damage until the tenants move out. In that case, the damages are charged to the deposit.

Commissioner Richards moved to approve the Update to the Maintenance Charge Schedule. Vice-Chair Kau seconded the motion. The motion passed unanimously, 6:0

- 4. Approval of Contract for Furnace Replacement in 28 Units at Sites A, L, & M to Connelly Heating & Air Conditioning:** Chairperson Gale referred the Board to Tab 10 which contained information about the bids for the furnace replacement for 28 units at Sites A, L, & M. Mr. Runia stated that Connelly Heating & Air was the low bid. The Board discussed the average life span of a furnace and the benefits of the Energy Star program. Commissioner Lee moved to approve the Contract for Furnace Replacement in 28 Units at Sites A, L, & M to Connelly Heating & Air Conditioning.

Commissioner Gardner seconded the motion. The motion passed unanimously, 6:0.

- 5. Approval of Enterprise Community Investment as Investment Partner for St. Francis Apartments, LLC:** Chairperson Gale referred the Board to Tab 11, which contained an analysis of possible investor partners for the St. Francis Apartments project. Mr. Runia explained to the Board that of the five possible investors he was recommending Enterprise Community Investment. He stated that benefits of working with Enterprise Community Investment include: better timing of equity for the project, lowest replacement reserve requirements, and the housing authority staff already has experience with the reporting their requirements as we have worked with them previously on Maeser and Canyon View.

Commissioner Gardner asked if the Board could see a rendering of the building since the architectural changes had been made to make the project more competitive for LIHTC funding. He expressed concern that the changes to the building's design would not compromise the Board's promises to the neighborhood that the project would fit into the neighborhood. The Board agreed that with the history of the property, they felt it was important to keep the neighborhood satisfied with the project. Mr. Runia stated that the changes did not affect the overall flow of the building; however he would bring an elevation drawing to the Board when he had one available.

Commissioner Richards moved to approve Enterprise Community Investment as Investment Partner for St. Francis Apartments, LLC. Vice-Chair Kau seconded the motion. The motion passed unanimously, 6:0.

- 6. Approval of Bank of American Fork as Construction Lender for St. Francis Apartments, LLC:** Chairperson Gale referred the Board to Tab 12, which contained an analysis of possible construction lenders for the St. Francis Apartments project. Mr. Runia explained that his recommendation for Bank of American Fork was based on the fact that it was a local bank, and would be easier to draw down funding, the term of the loan was shorter, however, he did not see a need to for a loan extension based on the equity the project would

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receive. Commissioner Gardner expressed support of the selection of Bank of American Fork due to his own experience with them on development projects.

Commissioner Gardner moved to approve Bank of American Fork as the Construction Lender for St. Francis Apartments, LLC. Commissioner Carlile seconded the motion. The motion passed unanimously, 6:0.

7. Authorization to Secure Legal Services with Bradley Britzmann for St. Francis Housing Development: Chairperson Gale referred the Board to Tab 13, which contained information about Brad Britzmann, an attorney. Mr. Runia stated that he had worked with Mr. Britzmann professionally in the past and had found him to be a reasonable and able attorney who will be able to negotiate in behalf of and protect assets related to the St. Francis Apartments partnership.

Commissioner Carlile moved to authorize Mr. Runia to secure legal services with Bradley Britzmann for St. Francis Housing Development. Vice-Chair Kau seconded the motion. The motion passed unanimously, 6:0.

Adjourn: Vice-Chair Kau moved to adjourn the meeting. Commissioner Gardner seconded the motion. The motion passed unanimously, 6:0. The meeting adjourned at 5:47 p.m.

The next Regular Meeting of the Board of Commissioners of the Provo City Housing Authority is scheduled for Wednesday, March 26, 2014 at 4:15 pm
