

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



Regular Meeting

Date: Wednesday, March 27, 2013
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 4:20 p.m. Chairperson Douglas Gale, Vice-Chair Jonathan Kau, Commissioner Valerie Lee, Commissioner David Gardner, Commissioner Buddy Richards and Commissioner Craig Carlile were present.
 2. **Approval of Minutes for February 27, 2013:** Chairperson Gale referred the Board to Tab 1, which contained the Minutes from February 27, 2013, and asked if there were any questions or comments. There were not any questions or comments. Vice-Chair Kau moved to approve the Minutes from February 27, 2013. Commissioner Lee seconded the motion. The motion passed unanimously, 6:0.
-

Report of the Executive Director

Project Reports: Chairperson Gale asked Mr. Carlson to update the Board on the current projects. Mr. Carlson distributed a document which contained current contract/sale information about the Supportive Housing and PHA Sustainable Homes. He reported that two of the PHA Sustainable Homes have closed, and two are currently under contract. One of these buyers qualifies as a buyer at 80% or below median income, and we have adjusted the home price from \$199,900 to \$196,530 so the home would qualify for Provo City's Home Purchase Plus program; however their appraisal came in at \$193,000, and the sale might fail.

- a. **Franklin Heights CROWN:** Mr. Carlson stated that the plans have been submitted to the City departments for review. He explained the process for review and how notes from departments are addressed. Chairperson Gale asked if there were any concerns of which the Board should be made aware. Mr. Carlson stated there were not.
 - b. **Ekins Property Development:** Mr. Carlson stated that the zoning change process has gone smoothly with a quick approval from the Planning Commission last month. On April 9th it will be presented for approval before the City Council. After the zoning approval the subdivision approval process will commence.
 - c. **Supportive Housing Sales:** Mr. Carlson stated that there continues to be little interest in the home at 392 South 200 East. The environmental remediation is complete for the property at 380 West 1392 North. The property at 461 West 700 North has required some repairs and the boundary line issues are in the process of being resolved, but due to these issues the sale will probably not close tomorrow as was planned. Mr. Carlson stated that regarding the property at 955 East 1060 South there have also been some boundary line issues which have caused some complications with the sale of the property. Commissioner Carlile excused himself from the discussion of this property as he felt he might have a conflict of interest. The Board discussed the issues involved in the boundary line conflict and possible resolutions.
 - d. **South Franklin Community Center:** Mr. Carlson stated that the Community Center is starting to look like a building. Bill Hulterstrom from United Way has found additional donations for A/V wiring and outlets for the building.
-

Discussion Items

1. **Presentation from Commissioner Craig Carlile:** Chairperson Gale asked Commissioner Carlile to present his
-

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



information. Commissioner Carlile presented information about the Timpanogos Legal Center (TLC) including the need for pro bono legal services, the difficulty associated with providing those services, and the history of the J. Reuben Clark Law Society and the services it provides through TLC.

2. **RFP for Executive Director Search Consultant:** Chairperson Gale referred the Board to Tab 2, which contained an RFP for the Executive Director Search Consultant. Mr. Carlson stated that he had found other firms in addition to Leo Dauwer who have experience in the public sector, and while they are not local, they have done business with Provo City in the past. Two of the three companies, in addition to Mr. Dauwer, have responded to the RFP. The deadline is April 15, 2013.
3. **Effects of Sequestration on the 2013 PCHA Budget:** Chairperson Gale referred the Board to Tab 3, which contained general information about sequestration on Public Housing and Section 8 programs. Mr. Carlson distributed additional information which is specific to the effects of sequestration on the PCHA. He stated when preparing for FY2013 we budgeted for a 10% reduction in funding, hoping that the cuts would not be as deep. The actual effects of sequestration will be an 18% cut in funding. While deeper than planned, these cuts can be absorbed this year without layoffs or significant program effects. Because of a recommendation from the auditors, the Executive Director's salary allocation will be more diversified across more projects, which gives some money back to the Section 8 and Public Housing programs. Some capital improvements will be postponed, to assist the Public Housing program. HUD has recommended that the Section 8 program reduce their service from 883 units to 875 units. Reducing service by just 8 units per month for FY2013 will still require that the PCHA spend a significant amount of Section 8 Reserves, but will allow the program to operate without significantly reducing services, or reducing staff.

Action Items

1. **Approval of Unsecured Promissory Note for 955-957 East 1060 South, Provo \$67,224:** Chairperson Gale referred the Board to Tab 4, which contained the Promissory Note for 955-957 East 1060 South. Mr. Carlson explained that the Promissory Note asks the City to release the trust deeds tied to the property and carry them over to the new property which will be purchased with the proceeds from the sale of this building. Commissioner Gardner moved to approve Unsecured Promissory Note for 955-957 East 1060 South, Provo in the amount of \$67,224. Commissioner Carlile seconded the motion. The motion passed unanimously, 6:0.

Commissioner Gardner was excused at 5:34.

2. **HOME Subrecipient Loan Agreement 2011- PCHA Amendment A:** Chairperson Gale referred the Board to Tab 5, which contained the HOME Subrecipient Loan Agreement 2011- PCHA Amendment A. Mr. Carlson explained to the Board that this Subrecipient Agreement is regarding the HOME loan which was granted for the purchase of the duplex adjacent to the St. Francis property. While the St. Francis project has been postponed, the property still faces the deadline required by the HOME funding to be put into service as housing for low-income households. This Agreement will allow the Housing Authority to use remaining HOME funds to make-ready the duplex for occupancy. The Board discussed issues related to HOME requirements. Commissioner Lee moved to approve the HOME Subrecipient Loan Agreement 2011- PCHA Amendment A. Commissioner Richards seconded the motion. The motion passed unanimously, 5:0.

Adjourn: Vice-Chair Kau moved to adjourn the Regular Meeting. Commissioner Lee seconded the motion. The motion passed unanimously, 6:0. The meeting closed at 5:46 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, April 24, 2013 at 4:15 p.m.
