

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



Regular Meeting

Date: Wednesday, September 25, 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 4:25 pm. 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, and Commissioner Buddy Richards. Commissioner Valerie Lee was excused from the meeting. Chairperson Gale was excused from the meeting at 5:39 pm.

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

Leo Dauwer was in attendance via phone from 4:58pm through 5:21pm.

- 2. Approval of Minutes for August 28, 2013:** Chairperson Gale referred the Board to Tab 1, which contained the minutes from August 28, 2013 and asked if anyone had any questions or comments about the Minutes. Commissioner Richards moved to approve the Minutes from August 28, 2013. Commissioner Gardner seconded the motion. The motion passed unanimously 5:0.

Report of the Executive Director

- 1. Project Updates:** Chairperson Gale asked Mr. Carlson to update the Board on current projects.

Franklin Heights CROWN: Mr. Carlson stated that Franklin Heights CROWN is currently under construction and he expected a six month schedule until it finished.

Ekins Property: Mr. Carlson stated that the Ekins project had finally finished the CRC process, which had been long and difficult. He stated that the land swap had not yet been formalized which may need to be completed prior to the issuance of a building permit.

St. Francis Senior Housing: Mr. Carlson stated that the LIHTC application would be submitting in the following week and that he thought the application would be competitive. From last year's funded projects, mixed income projects seem to score higher and so we have modified the St. Francis project to include 3 units at market rate. This project will serve several different populations including: seniors, disabled seniors, disabled adults that are not seniors, homeless seniors, and market rate seniors. The design will keep the covered parking the rooftop gardens, but the cooling towers had to be cut as well as one of the elevators to reduce the construction costs. The Board expressed frustration at the LIHTC program which discourages good design by awarding points to lower cost per project. Mr. Carlson stated that the funding will be announced in December.

- 2. Google Fiber Implementation:** Chairperson Gale asked Mr. Carlson to update the Board about the Google Fiber. Mr. Carlson stated that Google Fiber coming to Provo has brought both good and bad results to the PCHA. First, Google Fiber will provide free internet service to all of the PCHA's units for a \$30 set up fee. The Housing Authority will pay for it. We have worked it into our budget, recognizing that the internet access is a

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resource that low-income people can use to enhance educational opportunities.

Mr. Carlson stated that the downside to Google Fiber is that the Housing Authority will no longer have access the Provo City phone system. Mr. Carlson stated that the staff has been working to implement a new phone system.

Discussion Items

- 1. Executive Director Search:** Chairperson Gale referred the Board to Tab 2, which contained information about the candidates for the Executive Director position. Leo Dauwer was called and the Board discussed with Mr. Dauwer the candidates who have applied for the position and the process for selection for first interviews. October 15th was selected as the day of first interviews.
- 2. RAD (Rental Assistance Demonstration):** Chairperson Gale referred the Board to Tab 3, which contained information about the Rental Assistance Demonstration (RAD) program for Public Housing. Mr. Carlson stated that he was continuing his research about the RAD program and felt that it may be a feasible option to ensure that the Public Housing program was safe from continued Operating Subsidy and Capital Fund reduction. He stated that he would have an application ready for Board approval at the next Board meeting.

Action Items

- 1. Approval of Real Estate Purchase Contract to Sell 1.3 Acres St. Francis Project Site to St. Francis Housing Partners, LLC:** Chairperson Gale referred the Board to Tab 4, which contained a Real Estate Purchase Contract for the St. Francis project. Mr. Carlson stated that for the LIHTC application he needed to demonstrate that the LLC, St. Francis Housing Partners had ownership of the property. The value of the property is based on a recent appraisal.

Vice-Chair Kau moved to approve the Real Estate Purchase Contract to Sell 1.3 Acres St. Francis Project Site to St. Francis Housing Partners, LLC. Commissioner Carlile seconded the motion. The motion passed unanimously, 5:0.

- 2. Approval of the Amended Articles of Organization for St. Francis Housing Partners, LLC:** Chairperson Gale referred the Board to Tab 5, which contained the Amended Articles of Organization for St. Francis Housing Partners, LLC. Mr. Carlson stated that these Amended articles change the Managing Member from the Provo Nonprofit Housing Development Corporation to the Provo City Housing Authority. He explained that the choice of which organization is the managing member is a strategic choice for the LIHTC application.

Vice-Chair Kau moved to approve the Amended Article of Organization for St. Francis Housing Partners, LLC. Commissioner Carlile seconded the motion. The motion passed unanimously, 5:0.

- 3. Approval of the Amended Operating Agreement of St. Francis Housing Partners, LLC:** Chairperson Gale referred the Board to Tab 6, which contained the Amended Operating Agreement of the St. Francis Housing Partners, LLC. Mr. Carlson explained that this again changed the Managing Member from the Provo Nonprofit Housing Development Corporation to the Provo City Housing Authority.

Vice-Chair Kau moved to approve the Amended Operating Agreement of St. Francis Housing Partners, LLC. Commissioner Carlile seconded the motion. The motion passed unanimously, 5:0.

- 4. Approval of PCHA Board Resolution 09-A-13 Approving Revision No. 1 to the Public Housing**

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Operating Budget for the Fiscal Year Ending September 30, 2013: Vice-Chair Kau referred the Board to Tab 7, which contained PCHA Board Resolution 09-A-13, Revision No. 1 to the Public Housing Operating Budget for FY Ending September 30, 2013. Mr. Carlson stated that there have been relatively few changes to the budgets for 2013; however there are still the same struggles that happen every year with subsidy cutbacks.

Commissioner Gardner moved to approve PCHA Board Resolution 9-A-13 Approving Revision No. 1 to the Public Housing Operating Budget for the Fiscal Year Ending September 30, 2013. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.

5. Budget Revisions for Fiscal Year 2013: Vice-Chair Kau referred the Board to Tab 8, which contained the Budget Revisions for Fiscal Year 2013. Mr. Carlson stated that these budgets revisions represent routine year-end adjustments.

- a. Approval of Revision No. 1 to the Section 8 Housing Choice Voucher Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Section 8 Housing Choice Voucher Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- b. Approval of Revision No. 1 to the Capital Fund Grant Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Capital Fund Grant Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- c. Approval of Revision No. 1 to the Discretionary Fund Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Discretionary Fund Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- d. Approval of Revision No. 1 to the Permanent Housing Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Permanent Housing Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- e. Approval of Revision No. 1 to the Supportive Housing Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Supportive Housing Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- f. Approval of Revision No. 1 to the Shelter Plus Care Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Shelter Plus Care Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- g. Approval of Revision No. 1 to the Crimson Court Apartments Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Crimson Court Apartments Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
- h. Approval of Revision No. 1 to the Provo Westgate Apartments Operating Budget:** Commissioner Carlile moved to approve Revision No. 1 to the Provo Westgate Apartments Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.

6. Approval of PCHA Board Resolution 09-B-13 Approving the Public Housing Operating Budget for the Fiscal Year Ending September 30, 2014: Vice-Chair Kau referred the Board to Tab 9, which contained Resolution 09-B-13, Approving the Public Housing Operating Budget for the FY Ending September 30, 2014. Mr. Carlson stated that this budget was based on estimated figures of what Congress will approve for the Operating Subsidy for 2014 and what the Housing Authority will receive in rents in the coming year and both numbers could change. Commissioner Carlile moved to approve Board Resolution 09-B-13 Approving the

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Public Housing Operating Budget for the Fiscal Year Ending September 30, 2014. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.

7. **Budget Approvals for the Fiscal Year Ending September 30, 2014:** Vice-Chair Kau referred the Board to Tab 10, which contained the Budgets for the programs with the Fiscal Year Ending September 30, 2014. Mr. Carlson noted that these programs are the core Housing Authority programs which are funded by HUD, and that the budgets are estimates of the coming year.
- a. **Approval of the Section 8 Housing Choice Voucher Budget:** Commissioner Carlile moved to approve Section 8 Housing Choice Voucher Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - b. **Approval of the Capital Fund Grant Budget:** Commissioner Carlile moved to approve the Capital Fund Grant Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - c. **Approval of the Discretionary Fund Operating Budget:** Commissioner Carlile moved to approve the Discretionary Fund Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - d. **Approval of the Permanent Housing Operating Budget:** Commissioner Carlile moved to approve Permanent Housing Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - e. **Approval of the Supportive Housing Operating Budget:** Commissioner Carlile moved to approve the Supportive Housing Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - f. **Approval of the Shelter Plus Care Budget:** Commissioner Carlile moved to approve the Shelter Plus Care Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - g. **Approval of Supportive Housing Grant Budget:** Commissioner Carlile moved to approve the Supportive Housing Grant Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - h. **Approval of the Crimson Court Apartments Operating Budget:** Commissioner Carlile moved to approve the Crimson Court Apartments Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
 - i. **Approval of the Provo Westgate Apartments Operating Budget:** Commissioner Carlile moved to approve Provo Westgate Apartments Operating Budget. Commissioner Richards seconded the motion. The motion passed unanimously, 4:0.
8. **Approval of PCHA Board Resolution 09-C-13 Authorizing the Write-Off of Collection Losses for the Fiscal Year Ending September 30, 2013:** Vice-Chair Kau referred the Board to Tab 11, which contained PCHA Board Resolution 09-C-13 Authorizing the Write-Off of Collection Losses for the Fiscal Year Ending September 30, 2013. Mr. Carlson stated that the losses are relatively low and we do whatever we can to collect on the debt before they are written off.

Commissioner Richards moved to approve PCHA Board Resolution 09-C-13, Authorizing the Write-Off of Collection Losses for the Fiscal Year Ending September 30, 2013. Commissioner Gardner seconded the

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motion. The motion passed unanimously, 4:0.

- 9. Approval of PCHA Board Resolution 09-D-13 Authorizing Non-Expendable Equipment Write-offs for the Fiscal Year Ending September 30, 2013:** Vice-Chair Kau referred the Board to Tab 12, which contained Board Resolution 09-D-13 Authorizing Non-Expendable Equipment Write-offs for the Fiscal Year Ending September 30, 2013. Mr. Carlson stated that this equipment has served its purpose and has been replaced or sold.

Commissioner Carlile moved to approve PCHA Board Resolution 09-D-13 Authorizing Non-Expendable Equipment Write-offs for the Fiscal Year Ending September 30, 2013. Commissioner Richards seconded the motion. The motion passed unanimously 4:0.

- 10. Rescheduling of October 23, 2013 Board Meeting to October 15, 2013:** Vice-Chair Kau referred the Board to Tab 13 which contained a calendar of 2013. Mr. Carlson recommended that the Board Meeting be moved to October 15, 2013 from October 23, 2013.

Commissioner Carlile moved to approve the date change to October 15, 2013. Commissioner Richards seconded the motion. The motion passed unanimously.

Adjourn: Commissioner Richards moved to adjourn. Commissioner Gardner seconded the motion. The motion passed unanimously, 4:0. The meeting adjourned at 5:56 p.m.

The next Regular Meeting of the Board of Commissioners of the Provo City Housing Authority is scheduled for Tuesday, October 15, 2013 at 2:00 pm
