HOUSING AUTHORITY OF SALT LAKE CITY
(HASLC)

REGULAR BOARD MEETING MINUTES
Housing Authority of Salt Lake City
1776 South West Temple
Monday, August 26, 2019
11:00 a.m. – 1:10 p.m.

The regular meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held from 11:00 a.m. – 1:10 p.m.

Commissioners in Attendance
Dave Mansell, Chair
Brenda Koga, Vice Chair
Palmer DePaulis, Commissioner
Alfonsa Price, Commissioner (on telephone)
Les Sparks, Commissioner

Excused
Cindy Gust-Jenson, Commissioner
David Litvack, Commissioner

Guest
Phil Bernal, HAME and HDC Board Member

Staff in Attendance
Daniel Nackerman, Executive Director
Britnee Dabb, Deputy Director
Zac Pau’u, Deputy Director
Mark Short, Finance Director
Jackie Rojas, Director, Section 8
Charlene Owen, Administrative Assistant

Legal Counsel
Caitlin Benson, Gilmore & Bell
Chair Mansell convened the regular meeting of the Housing Authority of Salt Lake City (HASLC) at 11:00 a.m.

Roll Call of the Board Members present.

PUBLIC COMMENT

None

MOTION FOR APPROVAL OF THE HASLC SPECIAL ELECTRONIC MEETING MINUTES OF JULY 22, 2019

The Executive Director has provided each Commissioner with a copy of the written minutes of the July 22, 2019 Electronic Meeting. The Commissioners acknowledged they had sufficient time to review these minutes.

Chair Mansell called for a motion.

Motion

Commissioner DePaulis moved to approve the HASLC Special Electronic Meeting Minutes of July 22, 2019. Commissioner Koga seconded the motion. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

INTRODUCTION OF NEW EMPLOYEES

Dan introduced 3 new staff members:

Darrin Dyches is our new Procurement and Contracts Manager
Kelly Walsh is our new TANF (Temporary Assistance for Needy Families) Program Manager
Lauri Royall is our new Section 8 Specialist

Dan gave some brief biographical information on each new staff member and they all told a little about themselves. The board welcomed them to the Housing Authority.

EMPLOYEE RECOGNITION

We are awarding Tasha Nelson with the “Service with a Smile” award. Tasha is the Property Manager at Taylor Springs. She has worked with us for over a year. We’ve had some staff turn-over, a fire at her property, and she has been a trouble-shooter for us. She has handled each issue with grace and professionalism.
CONTINUED ITEMS
none

NEW BUSINESS

A) APPROVE RESOLUTION #714-2019 Adopting an Investing Policy for HASLC to be included in the Finance Handbook

Daniel Nackerman, Executive Director and Mark Short, Finance Director

This and the next two Resolutions are finance policies which we’re starting to adopt and have them in the Finance Handbook.

Having a written Investing Policy will clearly define the expectations as they relate to managing and investing funds of the Authority in compliance with federal and state statutes and for effective utilization of held funds.

In general, this policy more clearly defines expectations for reporting, recording and communicating policies related to investing of the Housing Authority’s funds. It outlines requirements for investment strategy, ethics, eligible investment instruments and institutions, diversification and reporting.

Details of this policy are provided in the board packet.

The result of the Investing Policy will help safeguard the Authority’s funds through compliance with federal, HUD and state statutes with sound investing principles.

Motion

Commissioner Sparks made a motion to approve RESOLUTION #714-2019 Adopting an Investing Policy for HASLC to be included in the Finance Handbook with the addition of the wording: that for HUD funds, it is required that we only keep $500 and everything else returns to the Treasury. Commissioner Koga seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.
B) APPROVE RESOLUTION #715-2019 Adopting a Tenants Accounts Receivable (TAR’s) and Collection Policy for HASLC to be included in the Finance Handbook

Mark Short, Finance Director

It is our intent to add a tenant accounts receivable and collections policy. Such a policy is commonplace for agencies of all sizes to ensure upholding appropriate practices are being followed.

The result of adding the collections policy will have the fiscal impact of increasing our collections revenue as well as providing a clear and accurate depiction of bad debt owed to the agency with this streamlined process. We are hopeful it will guide staff as well.

Details of this policy are provided in the board packet.

Motion

Commissioner DePaulis made a motion to approve RESOLUTION #715-2019 adopting Tenant Accounts Receivable and Collections Policy. Commissioner Koga seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

C) APPROVE RESOLUTION #716-2019 Adopting a Banking Policy for HASLC to be included in the Finance Handbook

Mark Short, Finance Director

It is our intent to update the Banking Policy as part of this process. Such a policy is commonplace for agencies of all sizes to ensure the upholding of appropriate practices.

The result of the Banking policy will help safeguard the Authority’s funds through compliance with federal, HUD, and state statutes and sound business practices.

Details of this policy are provided in the board packet.

Significant impacts and major additions are:

- Establishing banking services
- Maintaining bank accounts
- Bank reconciliations
- Handling uncleared checks
Motion

Commissioner Koga moved to approve **RESOLUTION #716-2019** Adopting a Banking Policy for HASLC to be included in the Finance Handbook. Commissioner Sparks seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

D) **APPROVE** changes to the Employment Contract of the Executive Director

*Executive Director*

An Employment Agreement was executed May 5, 2016 between the Housing Authority and the Executive Director. The primary terms were a four (4) year agreement with extensions possible – and a salary based on that of the prior Executive Director.

An amendment to the contract was approved by the Commission on or about September 25, 2017 which covered several benefits elements (*detail provided in the Board Packet*)

The Executive Director is now requesting an extension of the four (4) years contract to three (3) additional years; a change in the consulting provisions that were in the original contract to 5-10 hours per week; and a future change to the base salary.

Commissioner DePaulis had a concern regarding the Executive Director consulting with any contracts in the state of Utah; what would be the provision to bring notification to the Board? Dan would bring any perceived conflict of interest to the Board right away.

A discussion ensued and it was agreed that the Executive Director may do consulting in the state of Utah, but not within Salt Lake County.

The board agreed to the Consulting Provisions and the 3-year additional extension; the salary changes will be discussed at a later date.

Commissioner Price added that she is very pleased with the Executive Director and that any extension of his contract would benefit the Housing Authority greatly.

E) **APPROVE ELIMINATION OF TREBLE DAMAGES TO TENANT ACCOUNTS** Tenant Applicant Screening for Crime, Credit and Related across HASLC and Affiliate Programs and Properties.

*Executive Director, Director of Homeless Programs and Section 8 Director*
HASLC and other Housing Authorities and landlords usually assess eviction costs as damages to the past tenant’s account and a certain portion of those rent and damage costs can triple the actual cost – known as “treble damages”. Authorities and other landlords then attempt to collect these accounts, sometimes over a several year period.

Punitive damages are generally defined as damages which are given in enhancement of ordinary or compensatory damages based on the wanton, reckless, malicious, or oppressive character of the acts of the tenant. Staff suggests these punitive damages may cause a burden of insurmountable barriers on an already challenged population. This is in addition to the concept of collecting damages, usually unsuccessfully, from a population already declared low-income.

The Board Chair has recommended that the non-collection of treble damages have to be ultimately “written off” from HASLCaffiliate books.

We are recommending elimination of treble damage practices within the scope of our property management in every program and property. The only exceptions are to be approved by the Executive Director or those required by program regulations or law.

The result of removing awards of treble damages will be relatively low as very little is collected. Additionally, it will require that this language be removed from all existing lease structures which adds administrative cost burdens.

**Motion**

Commissioner Koga moved to approve Elimination of Treble Damages to Tenant Accounts. Commissioner DePaulis seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

**F) APPROVE** updates to the Administrative Plan for the Housing Choice Voucher (Section 8) programs and related.

*Executive Director and Director of Section 8*

We are now updating our Administrative Plan. This is where the rules, regulations and policies are available for tenants and landlords. We are recommending the following changes to the local policies:

- Board recommended revisions to criminal background reviews – cause for denial of assistance. We changed the wording from “will be denied” to “may be denied”
and adding clarification of "outstanding warrants or arrests" to include "outstanding"

- Added targeted funding under Selection and Funding Sources for 35 additional FY-17 Mainstream non-elderly disabled vouchers with an additional local preference specific to these vouchers for homelessness, released-or-at-risk of institutionalization with a non-elderly disabled family member as required by acceptance of the funding.

There are also some HUD mandatory changes in the update which are detailed in the Board Packet.

The Administrative Plan revisions have no direct significant impact on existing budgets. Changes are intended to simplify the processes with decreased reporting requirements for residents and improved customer service.

**Motion**

Commissioner DePaulis moved to approve updates to the Administrative Plan for Section 8. Commissioner Sparks seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

**FAMILY SELF-SUFFICIENCY (FSS) UPDATES**

This is a special report that we’ve included in the Board Packet.

The Family Self-Sufficiency (FSS) program is a grant funded by HUD through a competitive process designed to help public housing residents, Housing Choice Voucher participants, and residents of multifamily assisted housing increase their earnings, build their assets and increase financial independence.

Families participating develop Individual Training and Service Plans encompassing goals moving toward self-sufficiency with a five-year Contract of Participation. When the family meets their goals and completes its FSS contract, they become eligible to receive funds deposited in an interest-bearing escrow account funded by HUD. Upon completion of the program, escrow funds are released to the participant.

The HUD grant pays for the salaries of FSS program coordinators; not for the payment of services. HASLC’s FY18 NOFA award was for $101,804 supporting two full-time FSS Coordinators serving an average of 130 participating families throughout the year.

We would like to bring families receiving a check for their escrow funds to the monthly Board Meetings to be presented by the Board.
COMMUNICATIONS

EXECUTIVE DIRECTOR REPORT

• Two national grant awards for Innovation from the National Association of Housing and Redevelopment Officials (NAHRO) will be awarded to the Housing Authority of Salt Lake City in October in San Antonio, TX.

• Dan pointed out the awards on display in the Board Room from the National Association of Housing and Redevelopment Officials (NAHRO) event in Boston on July 11, wherein HASLC was honored with at least five (5) awards, those being for the Homeless Training (Construction Framing) project, the unusual service financing and partnerships at Denver Street, 9th East Lofts, the TANF program, and the Capitol Homes project.

• Our partner on 3-4 ventures, the Urban Indian Center, is struggling with all new leadership at the Board and staff level and has therefore ceased to be involved in housing-related projects for the time being. Our primary projects together were paid services from them provided at Sunrise Metro and a role in Book Cliffs Lodge, a new apartment development. UIC was also scheduled to provide future services at Pamela’s Place and to a smaller extent at Capitol Homes. The partnership was a good one so staff feels the transition to other partners will not be difficult. The new partner at Book Cliffs Lodge will be Utah Pride, a non-profit that has been in discussions with HASLC/HAME for months to find housing solutions for those experiencing discrimination as seniors and as LGBTQ persons.

• The planned acquisition of the Georgia Apartments was unsuccessful as another buyer had gained control of the sale just a few business days before HAME could act. The seller, who has been difficult to deal with in many ways, grew impatient and offered it to another buyer.

• The conversion of City Plaza from HUD “Public Housing” to RAD is well underway and key documents have been executed between HASLC and Housing Connect (formerly known as the County Housing Authority). The primary agreement is a Memorandum of Understanding between the agency that the Commission approved at the last meeting.

• Insurance rates for HASLC are expected to skyrocket due primarily to a loss caused by the Jefferson School Apartments fire last month. We are in negotiations with the provider who has insured us since 2012. Any renewal of coverage with them or replacement of their firm will be on the next Commission agenda for action.
CHAIR REPORT

Chair Mansell encouraged the Commissioners to attend one or more of the conferences listed in the Board Packet. He said Commissioners should attend conferences and bring back information to their colleagues to enable them to perform in their positions better.

Motion

Commissioner Koga made a motion to adjourn the Housing Authority Meeting. Commissioner DePaulis seconded the motion. The motion passed unanimously with Commissioners DePaulis, Koga, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

The Housing Authority Meeting adjourned at 1:10 p.m.

Dave Mansell, Board Chair

Daniel Nackerman, Executive Director