MINUTES

 FROM THE

HOUSING TRUST FUND

 BOARD MEETING (HTF)

Wednesday, April 3, 2019

451 South State Street, **Room 126**

City & County Building

Salt Lake City, Utah

***12:00 p.m.***

1. **Board Members Board Members Not Present**

Todd Erksine Irena Edwards

Terry Lake Ryan Parker

Edward Makowski

Ali Oliver

Robert Rendon

Amy Rowland

David Smoot

Sean Umipig

**Staff Present**

Baylee White, HAND

Jen Schumann, HAND

Don Sparks, HAND

Kat Vuong, HAND

1. **Staff Updates**
2. **Approval of minutes of the March 6, 2019 meeting**

Staff had not finalized minutes from the March 6 meeting, so there were no minutes to approve.

1. **Business**
	1. Welcome

As the Board Vice Chair Ms. Oliver welcomed the Board and opened the meeting at 12:07 p.m.

* 1. Update on Lincoln Tower apartments

Ms. White stated that there were a few changes to the Lincoln Tower Project since it has been approved. The financing structure had changed as the project was able to secure additional private financing, received County HOME funds, and did not receive Olene Walker funds. Ms. White explained that there was one work session done with the Council on Lincoln Towers and they would like to do a follow up conversation before making a decision shortly after that. The Board agreed to move forward with the updated financing and recommended utilizing the same loan terms as had been previously approved.

* 1. Housing Trust Fund Policy Discussion

Staff informed the Board that the main prupose of this discussion was to create a set of standard loan terms and meeting guidelines.

The policy discussion began by talking about which activities were eligible per the ordinance and discussing which activities the Board wanted to prioritize. While the Board primarily focuses on gap financing for projects, the Board did not want to prioritize new construction or rehabilitation over the other, as they felt it was project dependent. The Board did not want to formally prioritize gap financing over all other eligible uses currently either, as no applications have ever come in requesting funds for the other activities.

The Board discussed how it would be helpful to compare applications at the same time. Staff informed the Board that no applications were received when this was tried in the past.

Term lengths and amortization schedules were discussed. The Board determined that the standard term and amortization period would be 30-years for a project. This could go up to 40 years if a senior-HUD lender had a longer term, but no longer than 40 years on any project.

The next item for discussion was interest-only periods during construction or rehabilitation. The Board determined that an interest-only period could be allowed and would match the senior lender’s interest-only period or, for projects without senior financing, would not exceed two years from closing.

The Board discussed the standard interest rate and agreed to 3%, with the potential to reduce the rate to a floor of 1% for projects that aligned with specific City goals. There was much discussion about the interest rate reductions, which will be continued at the next meeting. The Board consolidated a few of the staff suggestions and will confirm the approved qualifications at the next meeting.

Surplus cash flow was discussed, but the conversation had to end prematurely as the meeting time had ended. Staff informed the Board that surplus cash flow would be on the next agenda to finish discussing.

* 1. Other Business

Ms. White proposed that from now on the Board only meets on the first Wednesdays. The Board agreed.

**5. Adjournment**

There being no further business. The meeting was adjourned at 1:00 PM.

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                                                                   HTF Board Chair

This document along with the digital recording constitute the official minutes of the HTF Board meeting held March 06, 2019.