

MINUTES
FROM THE
COMMUNITY DEVELOPMENT & CAPITAL IMPROVEMENT PROJECTS
BOARD MEETING (CDCIP)
Monday, November 19, 2018
451 South State Street, **Room 126**
City & County Building
Salt Lake City, Utah
5:30 p.m.

1. Board Members

Logan Darling
Loree Hagen
Tony Mastracci
Brooke Young

Board Members Not Present

Andrew Saalfield
Hannah Lockhart
Pamela Silberman

Also Present

Jen Schumann
Dillon Hase
Baylee White
Shyann Hugoe

2. Staff Updates

Ms. Schumann stated that Shelter the Homeless has announced the operators for the Homeless Resource Centers, and they are as follows: The Women's facility by Volunteers of America, The Men's facility by The Road Home, and The men and Women's facility by Catholic Community Services. Ms. Hagen asked for a motion to decline The Road Home application for the Men's Facility, and decline The Road Home application for the Women's Facility. Ms. Young made a motion to decline the applications. Mr. Mastracci seconded the motion. Motion carried unanimously.

Mr. Hase wanted to inform the Board about responses to their questions on November 5, 2018. Mr. Hase presented the following questions and responses to the Board:

First Step House

Per the outcome where 50% will exit into permanent housing, where will those units be located? Is this program connected to a housing program where units will be available?

Our treatment services will include comprehensive housing case management services that work to address housing barriers and ensure that our patients exit to permanent housing. We work with ALL possible housing options and resources, including voucher programs through the housing authorities (e.g., Gateway to Housing, HARP, Shelter Plus Care). There will also be an opportunity for Homeless Resource Center patients to access First Step House rental assistance and/or housing. We currently have a CoC/HUD funded

Rapid Rehousing program that provides short-term rental assistance for homeless individuals with a substance use disorder or mental health condition to move into scattered site permanent housing in the community. This program provides housing for up to 30 people per year (at 6 months of rental assistance per person). In addition, we will be opening our permanent supportive housing facility (5th East Apartments) that will provide housing options (75 one-bedroom units) for people who are homeless and struggle with mental illness.

Housing Authority

New program, or new to ESG request?

It is a new application for City ESG funds. HASLC wants to expand our current program.

Homelessness prevention is different than rapid-rehousing (voucher) is this the same 25 people listed in the previous application? What is the relationship between the two programs?

Homeless Prevention and Rapid Rehousing would have different program participants. Homeless prevention funds would be utilized to provide financial assistance to families and individuals from being evicted and becoming homeless. Rapid Rehousing funds would be utilized to expand our current RRH program and it will provide short-term financial assistance to families currently experiencing homelessness. We would like to fund an Eligibility/Case Manager position that would assess clients for City ESG funds as well as provide case management once clients are approved for financial assistance.

Utah Community Action

If this award will increase the time spent with RRH clients, then what is staff doing currently that they will stop doing because of the ESG award?

The FTE would spend less time working our TANF grant and there would not be any effect to services rendered for the ESG award. UCA has other staff that would pick up the TANF grant responsibilities.

3. Approval of the minutes of the November 19, 2018 meeting.

Ms. Hagen asked for a motion to approve the minutes. Ms. Young moved to approve the minutes of November 5, 2018 as presented. Mr. Mastracci seconded the motion. Motion carried unanimously.

4. Business

A. Welcome

Ms. Hagen welcomed the CDCIP Members and opened the meeting on November 19, 2018 at 5:31PM.

B. Application Review and Discussion

- 1) Alliance House – Housing Relocation and Stabilization Services: Mr. Hase explained the

application to the Board. Mr. Hase asked the Board if there were any questions. There were no further questions.

- 2) ASSIST – Emergency Home Repair & Accessibility and Community Design: Mr. Hase presented the application to the Board. Mr. Mastracci asked the number of beneficiaries served is the same, what is the \$50,000 increase from last year going to be used for. Mr. Hase stated that the agencies response was “During the last two fiscal years, our organization has complete more holistic repairs for at-need households than in prior years. In coordination with SLC Housing and Neighborhood Development, ASSIST is tackling larger problems, as H.A.N.D.’s new Handyman Program has been able to address many smaller needs and repairs. Additionally, our organization has seen an increase in construction costs ranging from 15% to 80% during the same timeframe, depending on the type of work being performed. These increases in construction costs (resulting both from higher material costs and increasing labor rates) have severely impacted the number of households that our organization is able to serve. The combination of ASSIST performing more holistic repairs and the increase in construction costs has increased the average grant amount given to each household, thereby reducing the number of total clients our organization is able to serve with a given amount of funding.”
- 3) Community Development Corporation – Program Operations for Down Payment Assistance, Affordable Housing, and Revitalization Programs: Mr. Hase summarized the application to the Board. Mr. Mastracci asked does the organization keep track of individuals who have received DPA to see if it improves success as a homebuyer. Mr. Hase stated that the agencies response was “CDCU tracks data and monitors notices of defaults and trustee sales for DPA recipients in Salt Lake City. CDCU records a Request for Notice of Default at closing for all DPA awards, which provides for notice to be given to CDCU whenever a DPA recipient goes into default. CDCU tracks the outcome of foreclosure proceedings in an excel spreadsheet. The homeowners are offered foreclosure prevention counseling to help them avoid losing their home. In the last five years (from 2012-2017) CDCU has closed 76 DPA awards in Salt Lake City. Only one homeowner has been foreclosed upon in that time period, for a loan-loss rate of 1.3%. This very low rate supports the effectiveness of down payment assistance coupled with homebuyer education and counseling in improving long-term success for homebuyers. The effectiveness of homebuyer education and counseling in helping homeowners avoid default is also supported by national research. A study done by the Harvard University Center for Housing Studies found that “Borrowers receiving counseling through individual programs experienced a 34 percent reduction in delinquency rates, while borrowers receiving classroom and home study counseling obtained 26 percent and 21 percent reductions, respectively, in the delinquency rate.”
- 4) Housing Authority of Salt Lake City – Acquisition: Mr. Hase addressed the application to the Board. Mr. Mastracci asked have the 9% and 4% tax credits been allocated and approved for this project and what is the anticipated purchase price of the 9% tax credits. He also asked what is historic about the Oasis Apartments that make it eligible for tax

credits and what the current rent on the units is and what is the anticipated rent after renovation. Mr. Mastracci would like to know who will property manage the apartments after renovation. Mr. Hase stated that the agencies response was “No the tax credits have not been allocated because we have not applied for credits yet. The anticipated purchase price of the 9% tax credits are \$1.10 to \$1.15. It is older than 50 years, so that makes it historically significant even though it may not appears so to others. There is no way of knowing the current rent structure because tenants often pay cash and it is not track professionally. After renovations, the anticipated rent will be market rate and affordable mix. Approximately a \$1.50 per square foot. HAME/HASLC will property manage.” Ms. Hagen asked how big the total funding award for this grant section is. Ms. Schumann stated that there is \$3.4 Million in totality. Ms. Hagen asked since this property is currently occupied where will the current residences move. Mr. Hase stated that to comply with URA the Housing Authority would pay for moving costs and fund comparable living environments. Ms. Schumann added that this agency has done this before and they are experts with URA. Ms. Young asked if only three units will be available for homelessness. Mr. Hase stated he would follow up with the agency and report to the Board. Ms. Hagen asked about how will some people pay market rent and some people have subsidies. Ms. Schumann explained that it would be unit based, so the renter does not pay more than 30% of their income for rent, and the some units will be subsidized but the complex will offset the cost from the market rate apartments, grants, or acquisitions. Ms. Hase added that the mix of income levels is quite common. Mr. Mastracci asked if tenants would have a 12-month lease. Mr. Hase confirmed that was correct.

- 5) Housing Authority of Salt Lake City – Freedom Landing: Mr. Hase described the application to the Board. Mr. Mastracci asked what is the estimated per year savings because of the roof and window replacements. Mr. Hase stated that the agencies response was “We intend to go from single pain to double pain energy star windows. From their site, they estimate installed Energy Star windows save an average of 12 percent on their utility costs throughout the year.” Ms. Schumann explained that this agency cannot not provide help at full capacity without a wheelchair lift because if they have a unit available on the top floor and the tenant is unable to walk up the stairs they cannot fill the unit. Ms. Schumann also added that staff has discussed with the agency about applying for Salt Lake City’s Rehabilitation Program to fix the roof and the windows.
- 6) Salt Lake City – Economic Development Façade Program (NBIP): Mr. Hase explained the application to the Board. Ms. Hagen ask who does the construction work. Ms. Schumann stated that the project is bid out to contractors. Mr. Mastracci asked if minority or women owned businesses do this kind of work. Ms. Schumann stated that we do a lot of outreach to the WMBE and the section 3 registry.
- 7) Salt Lake City – Emergency Fund: Mr. Hase summarized the application to the Board. Mr. Hase asked if the Board had any questions. There were no further questions.
- 8) Salt Lake City: Multi-Family Development: Mr. Hase addressed the application to the Board. Mr. Mastracci asked for a description of a micro unit and how it is different from

SRO Housing. He also asked if tenants would sign a lease for these units and if it was permanent housing. Ms. Schumann stated that SRO's are Single Room Occupancy units. Small in nature, where there are some shared spaces. The shared spaces tend to be restrooms, kitchens, utility costs, etc. Folks like these to dorm style living. Micro Units are fully contained living environment, just on a small scale. These fully functioning apartments at the low end of the spectrum is defined by local code, but is typically anticipated to be less than 500 square feet. In both cases, the target resident is a single individual, although in some cases, depending upon the size, micro housing can provide housing for a couple that is looking to live in a smaller, more affordable space. Leases – Yes, all units would require a lease. The operations of the site happens just like a traditional apartment complex. The difference here is the square footage of each unit. Permanent Housing – This is permanent housing. Just as a traditional apartment complex, tenants will be able to naturally move on as their situational needs. There is no time limitation that would require a tenant move. Ms. Hagan asked who owns the property currently. Mr. Hase stated that the LDS church owns it. Ms. Schumann added that the Church is looking to sell the property as a community asset. Ms. Hagan asked about green space area and the need of green space in the community. Mr. Hase stated that Liberty Park and several smaller parks are close to this property. Ms. Schuman stated that the City evaluated the property as a park and decided against it. Mr. Mastracci tax credit development. Ms. Schumann stated that this project is moving forward quickly and she does not anticipate it will require tax credits. Ms. Hagan asked if there were other funding sources. Ms. Schumann responded that the City is identifying potential partners to assist with funding and operations of the development. Mr. Darling inquired about more micro apartments that aren't subsidized were developed for affordable housing. Ms. Schumann explained that micro units were introduced into SLC only a few years ago and many developers are not willing to build these units because it is a decrease in profit compared to traditional apartment buildings and homes.

- 9) Salt Lake City Corporation– 800 W Reconstruction Construction: Mr. Hase presented the application to the Board. Mr. Mastracci asked when is the project expected to start and how long will the construction take. Mr. Hase stated when he receives a response from the applicant he will follow up with the Board.
- 10) Salt Lake City Corporation– 800 W Reconstruction Design: Mr. Hase described the application to the Board. Mr. Mastracci asked if it is possible for the design to get funded through CDBG and the construction be funded through CIP. Ms. Schumann stated that could be possible.
- 11) Salt Lake City Corporation – Deteriorated or Missing Concrete Program: Mr. Hase explained the application to the Board. Mr. Mastracci asked about a waiting list for projects, how they are prioritized, and how many projects this request will cover. Mr. Hase stated that when he receives a response from the applicant he will follow up with the Board.
- 12) Salt Lake City Corporation - Salt Lake City Housing Rehabilitation Program and Homebuyer Programs: Mr. Hase summarized the application to the Board. Mr. Mastracci


asked to define a homebuyer project as listed under the outcome and is that a person actually buying a house or a house that is available for purchase. Mr. Hase stated that the agencies response was "HAND's homebuyer program has two sources of properties; 1. HAND acquires a home, completes the repairs needed to bring the house up to code, the house to a qualifying buyer and provides 30 year financing. And, 2. The home buyer may find a home and bring the signed sales agreement to us for financing. We complete an inspection to ensure the house meets code and then provide the permanent financing. Under either scenario, the transaction is not treated as a project until we close the permanent financing. HAND acts as the bank for these projects so these 30-year mortgages are serviced by Housing staff."

- 13) Salt Lake Neighborhood Housing Services, Inc. dba Neighborworks Salt Lake – Rebuild and Revitalize Blight (RRB): Mr. Hase addressed the application to the Board. Mr. Mastracci asked how much of last year's award has not been spent. Mr. Hase stated that Neighborworks spent \$1,245 on radon detection machines to comply with SLC's new Radon Policy, and that they did not spend the remaining \$88,755 of their 17-18 award because they spent old Federal Funds to operate the program.

C. Other Business

5. Adjournment

There being no further business. The meeting was adjourned at 6:55 PM.



CDCIP Board Chair

This document along with the digital recording constitute the official minutes of the CDCIP Board meeting held November 19, 2018.