

CEDAC Allocation Committee Meeting | MINUTES

February 11, 2020, | 11:30 AM – 2:00 PM | 2001 S State Street, S2-950, Salt Lake City UT

Meeting called by Susan Gregory

Facilitator Karen Kuipers

Note taker Erika Fihaki

CEDAC Committee: Susan Gregory, Shelly Batten, Leslie Jones, Jamie Peterson, Camille Bowen, Ryan Henrie, Todd Richards, Kumar Shah, Allen Litster, Tyler Money, Michael Anderson

Excused: Becky Guertler

Staff: Karen Kuipers, Sharon Pierce, Erika Fihaki, Amanda Cordova, Mike Gallegos

Next Meeting: February 18, 2020 11:30 AM

AGENDA TOPICS

Agenda topic *Approval of February 4th Meeting Minutes* | **Presenter** Susan Gregory

Susan Gregory asked the committee if there were any discussion items regarding the minutes from last week's meeting. Karen showed everyone where the approved minutes will be housed on the HCD website. Erika will send that link out to the committee.

Action Items

Kumar Shah made a motion to approve the minutes as drafted. Shelly Batten seconded the motion. The minutes were approved.

- Erika will send the link for the HCD website to the committee members

Agenda topic *Review of Conflicts of Interest* | **Presenter** Susan Gregory

Susan Gregory asked if there were any conflicts of interest for the applications which were to be reviewed today. There were none.

Agenda topic *Salt Lake Neighborhood Housing Services dba NeighborWorks Application*

Impact & Need: There was a discussion about the agency and the services they provide. There was discussion about the lack of clarity on homebuying education provided to clients. A committee member commented that from their personal knowledge of the agency, they are able to provide their own loans and they do require clients to take homebuyer education classes. The committee would like clarification from the agency on how they prepare their clients for homeownership.

Project Goals & Outcomes: There was discussion about the agency not being specific about their goals and outcomes and how that ties in to the county's goals. The committee would like the agency to clarify how follow-up is done to measure outcomes.

Agency Capacity: There was discussion about the agency keeping good records about the clients they have served. There was discussion about them receiving funding in the past. There was discussion about how the LIFT program through Wells Fargo works. The committee would like clarification from the agency on their waitlist – How many households have asked for assistance, how many have received assistance

since 2017. They would like the agency to include this waitlist information specific to Murray City if available. The committee would like clarification on the experience of current staff as noted in Question # 16.

Cooperation & Collaboration: There was some discussion about the collaboration with CDCU, Assist, Habitat for Humanity and Murray city. The committee was concerned that the response was very general, and did not indicate the depth of the partnerships or the extent of the scope of coordinated services.

Budget: The amount of assistance provided per household was discussed, and how that compared with other Down Payment Assistance applications. There was a concern expressed that the number of proposed households to be assisted in the budget narrative did not reconcile with the amount requested in the budget line items. Karen Kuipers provided additional clarity on how the the budget questions on Tab #3 should be referenced against the budgets on Tab #5 and Tab #6 in order to see how the numbers line up. There was general consensus that the grant request was not written clearly. The committee would like clarification on the agency’s budget and goals – it is unclear if the goals are based on the total program budget of \$150,000.

Leveraging – Jamie Peterson & Camille Bowen: There was discussion about what ratio of funding should come from other funding sources. There was discussion about the lack of private or foundational funding. The committee would like clarification on whether the agency has goals for diversifying funding resources to include private and foundational funding.

Admin Committee Summary – This grant will be specifically for Down Payment Assistance in Murray. NeighborWork’s currently does not have public funding for DPAs in Murray City or other non-entitled municipalities in Murray. They are doing a higher Down Payment Assistance per household due to the increased housing cost in Murray. It was noted that HCD would like them to serve households in the 60-80% Area Median Income range with these funds. They were funded in 2017-2018 and they did not spend out the full amount they received. It has appeared that the agency has experienced some difficulty in the past meeting grant requirements. It was noted that the agency was required to repay funds due to funding households that did not meet the income eligibility criteria. There has been some turnover in staff, and the committee would like more information about the capacity of the agency staff to administer the programs. It was noted that to qualify for Down Payment Assistance you must be a first-time homebuyer. Funds are recaptured if the home is sold within 5 years of purchasing it. The Wells Fargo funds are only available for use in Salt Lake City, which is another reason this ask is for use in Murray only. Admin Staff were unclear on whether the agency requires prospective homebuyers to attend educational training, however, the agency did attach a brochure to their application which shows that they provide homebuyer education.

Action items	Person responsible	Deadline
Salt Lake Neighborhood Housing Services Inc. Clarifying Questions: <ul style="list-style-type: none">• Please clarify how the agency prepares it’s customers for homeownership• Please provide additional clarification on the agency’s waitlist –<ul style="list-style-type: none">○ How many households have asked for assistance since 2017○ How many households received assistance since 2017	Amanda Cordova	02/18/2020, 11:30 AM

Action items

Person responsible Deadline

- How many households in Murray have asked for and received assistance since 2017
- Please provide details about how follow-up is done to measure outcomes.
- Please clarify the experience of the agency's current staff as noted in Question # 16.
- Please provide clarification on budget and goals – it is unclear if goals are based on total program budget of \$150,000
- Please clarify if the agency has goals for diversifying funding resources to include private and foundational funding.

Agenda topic Topic Utah Nonprofit Housing Corporation Application

Impact & Need: There was discussion about the merits of this agency's plan to refurbish these units and the positive impact this would have on communities. There was discussion about how great the need is to maintain affordable housing, especially for large households. The committee would like to see photos or more detailed description of the current condition of units.

Project Goals & Outcomes: There was discussion about how impressed the committee was on how clearly the applicant expressed their project goals and what the outcomes would be. The committee was impressed that the agency would retain ownership of these units. The committee would like clarification on whether the requested funds will be used for rehab of properties in eligible CDBG areas.

Agency Capacity: There was discussion about the ability of the applicant to complete this project compared to how many they've done in the past. Staff clarified for the committee that this agency traditionally does multi-family projects, whereas these are duplexes. This explains the difference in the number of properties rehabbed in the past by the agency. There was discussion about whether or not they maintain a waitlist. There was question about whether the agency has received CDBG funding in the past. Clarification was provided by the staff. There was discussion about the writing of this grant being slightly confusing. The committee would like clarification from the agency on their waitlist. The application states that the agency does not track those who are not served, however it also states that the agency maintains a waitlist.

Cooperation & Collaboration: There was discussion about how clearly they are cooperating and collaborating with other agencies, religious organizations, etc.

Budget: There was discussion about how little they are asking for in relation to the total cost of the project. The committee would like to see exactly what they are renovating. There was discussion about what the funding was being used for. It was clarified that CDBG funds are only being used toward renovating the units. The purchase of the units will be done via the loans they will be receiving. There was discussion about whether these units would be purchased in time to receive the funding. Staff clarified that they are receiving additional funding from other organizations with very good interest rates they wouldn't be able to receive otherwise. The committee would like clarification from the agency on what types of rehab activities are proposed to be accomplished in each unit and how CDBG funds would be used for those rehab activities.

Leveraging: There was discussion about the high level of leveraging they are doing to ensure that they can complete this project.

Exec Committee Summary: Housing Connect has \$800K in rehab funds set in reserve. Once the transaction occurs with Utah Non Profit, Housing Connect will release those funds for the rehab of the properties. Our \$500K would be directly used for rehab. If awarded we will request a per unit budget. If awarded they will need to provide a relocation plan for existing residents. The agency has done this type of project in the past. They have a good track record of managing these types of grants and programs. We believe the attached appraisal is on the units in their current condition. If funded we can ask for an updated appraisal. They will have the bank loans in place prior to this being awarded as they will need that for the acquisition of the properties. If funded this will serve a good number of households and people. Overall staff likes the project and the agency's ability to perform. They are hitting the mark on the Housing alignment and use of funds, as well as preservation of affordable housing on larger units. Staff will request update on the Proforma

Action items	Person responsible	Deadline
Clarifying Questions?	Amanda Cordova	02/18/2020 11:30 AM
<ul style="list-style-type: none"> • Please clarify if the requested funds are to be used for rehab of properties in eligible CDBG areas. • Please provide additional clarification on the agency's waitlist. The application states that the agency does not track those who are not served, but also states that the agency maintains a waitlist. • If currently available, please provide additional clarification on what types of rehab activities are proposed to be accomplished in each unit and how CDBG funds would be used for those rehab activities. 		

Agenda topic *Assignments for Next Meeting* | **Presenter** *Susan Gregory*

Susan Gregory gave a brief overview of the three applications we will be reviewing next week.

Scoring section assignments will remain the same:

Impact/Need – Leslie & Shelly

Project Goals & Outcomes – Allen & Kumar

Agency Capacity – Ryan & Susan

Cooperation & Collaboration – Michael & Becky

Budget – Tyler & Todd

Leveraging – Jamie & Camille

Staff Assignments

- Erika will send to the committee the link to HCD website which holds minutes and agendas for the CEDAC meetings.

Agenda topic *Other Business* | **Presenter** *Susan Gregory*

There was no other business.

Action Items

Kumar made a motion to adjourn the meeting. Todd seconded the motion. Meeting adjourned at 1:24 pm.