

**POLK COUNTY HOUSING TRUST FUND
BOARD OF DIRECTORS MEETING**

Friday, October 7, 2016
10:00 a.m.

MINUTES

Board Members Present:

Connie Boesen, Beverly Evans (via phone), Debbie Fisher, Jane Fogg, Kathy Gray (via phone), Lance Henning, Christine Hensley, Rick Messerschmidt, Steve Patterson (via phone), Sean Pelletier, Elizabeth Presutti, Troy Thompson, Steve Van Oort

Board Members Absent:

Angela Connolly, Rocio Hermosillo, Chelsea Lepley, Nate Stevenson, Izaah Knox

Guests:

Diana Deibler, Deibler and Company; Russ Frazier, Anawim Housing; Jim Hingtgen, Denman and Company

Staff:

Eric Burmeister, Lori Kauzlarich, Josh Hellyer, Tracy Levine, Claire Richmond, Carol Duncan, Marcus Amman

Strategic Session
Presentation of 2015/16 Audit and 990

Call to Order

Sean Pelletier, Vice Chair presided and called the Strategic Session to order at 10:00 a.m.

Jim Hingtgen, Denman and Company, presented the 2015/2016 PCHTF Audit and Form 990.

Jim stated this is a clean opinion and there were no disagreements or difficulties performing the audit. Jim then talked about the 990 stating the 990 is a by-product of the Audit.

Eric indicated that the 990 would be placed on the board portal of the web site following today's meeting with a notification date by which to make comments. The 990 needs to be filed by November 15.

The question was asked do we have a responsibility to provide the 990 to any agencies? The PCHTF provides a copy of the 990 when filling out grant applications, and there is a contractual obligation to provide a copy to the Iowa Finance Authority upon completion.

Business Meeting

1. Call to Order

Sean Pelletier, Vice Chair called the Business Meeting to order at 10:20 a.m.

1.1 Approve Agenda

Rick Messerschmidt moved to approve the Agenda; seconded by Steve Patterson. Motion Carried Unanimously

1.2 Approve August 2016 Minutes

Debbie Fisher moved to approve the August Minutes as written; seconded by Rick Messerschmidt. Motion Carried Unanimously.

2. Report of the Finance Committee

2.1 Recommend acceptance of 2015/16 Audit

The Finance Committee recommends that the Board of Directors receive the 2015/2016 Audit as presented.

Bev Evans moved to approve the recommendation of the Finance Committee to accept the 2015/2016 Audit; seconded by Rick Messerschmidt. Motion Carried Unanimously.

2.2 Recommend approval of 2015/16 Form 990 and authorize Treasurer to sign and file

The Finance Committee recommends the Board of Directors of the Polk County Housing Trust Fund approve the 2015/2016 Form 990 prepared by Denman and Co. and authorize the Treasurer to sign on behalf of the organization.

Bev Evans moved to approve the recommendation of the Finance Committee to approve the 2015/2016 Form 990 and to authorize the Treasurer to sign and file; seconded by Rick Messerschmidt. Motion Carried Unanimously.

2.3 Recommend approval of Line of Credit and authorize Executive Director to sign

Operating a Line of Credit has been a part of the Financial Policy of the organization since 2011. This facility is maintained for liquidity purposes in the event grantees call for allocations to be paid at a time when the organization has no certificates of deposits maturing. This facility has only been used once in the past five years.

It is the recommendation of the Finance Committee that the Board of Directors renew the organization's existing Line of Credit with Banker's Trust Company under the same terms and conditions as last year and authorize the Executive Director to execute all documents necessary to carry out this resolution.

Troy Thompson, Secretary of the Polk County Housing Trust Fund Board of Directors, does certify that the foregoing recommendation was duly adopted at a regularly scheduled meeting of the Board of Directors on October 7, 2016.

Bev Evans moved to approve the recommendation of the Finance Committee; seconded by Rick Messerschmidt. Motion Carried Unanimously.

2.4 Review of Financial Dashboard

Bev stated the purpose of the dashboard is to provide information at a glance to the Board. The Finance Committee plans to make this part of the monthly report.

3. Report of the Program and Supportive Services Committee

3.1 The Home Connection

As of yesterday PCHTF has received notice from Centralized Intake that The Home Connection is in compliance. Members of the Board and PSS Committee met with members of The Home Connection Board. Jane Fogg reported she was pleased with the process. Apparently The Home Connection Board Members were not aware of the Centralized Intake compliance **requirement**.

4. Report of the Development Committee

4.1 HOME, Inc. Recommend Affordable Rental allocation

HOME, Inc. submitted three Rental Development applications. Two duplex units in the Birdland area and two single family units in the Eastbank Neighborhood. The three applications total \$210,000. The applications were requesting a forgivable loan.

The Development Committee recommends funding the two duplexes (4 rental units) in the Birdland area for a total of \$140,000.00; subject to receipt of CHODO HOME funding from IFA in the amount of \$293,597. Forgivable loans are made with the standard terms and conditions of PCHTF development contracts and a 20-year forgivable mortgage will be executed to protect affordability of the units.

Steve Van Oort moved to approve the Development Committee recommendation; seconded by Elizabeth Presutti. Motion Carried Unanimously.

4.2 Christ the King II, Recommend Affordable Rental allocation

Due to cost overruns on an existing project CTKII is asking for an additional \$75,000 grant. In return the development is willing to pledge one additional unit for a household making less than 30% AMI.

The Development Committee recommends extending an additional note to the developer for \$75,000 at 0% interest to be repaid at a rate of \$7,500 per year until fully paid.

Debbie Fisher moved to approve the Development Committee recommendation; seconded by Rick Messerschmidt.

4.3 LIHTC Projects, Recommend Affordable Rental allocation

Three timely applications were received from Developers competing in IFA’s 2016 Low Income Housing Tax Credit competition. One project is limited to Seniors and two are targeted at families. All applications met the threshold criteria for PCHTF funding.

The Development Committee recommends funding all three projects:

Hilltop II	\$150,000
Eastown Park Senior Apartments	\$185,000
Lincoln Street Park	\$185,000

Funding is subject to award of LIHTC from IFA.

Rick Messerschmidt moved to approve the Development Committee recommendations; seconded by Elizabeth Presutti.

Following the motion, Connie Boesen asked what criteria is used when approving projects. She is concerned about the impact on schools. Is there a need to develop policy and procedures that would include school concentration concerns? Jane Fogg stated she is not sure of PCHTF role.

Rick Messerschmidt amended previous motion to include that the Development Committee consider the concerns expressed by the Board; seconded by Beverly Evans.

Jane Fogg thought this should be a role of advocacy and education.

Motions for Agenda Items 4.1, 4.2 and 4.3 Carried Unanimously.

With Joe Gonzalez’ resignation from the Board there is a vacancy on the Development Committee. Steve Patterson volunteered to fill that vacancy and will be added to the Development Committee.

4.4 Bridges of Iowa, Recommend Capital Improvement allocation

Bridges of Iowa serves very low-income recovering addicts. Bridges of Iowa submitted a Capital Improvement of Existing Affordable Rental grant application for

\$34,000 to replace 36 air conditioning units for the apartment complex at 1211 Vine Street in West Des Moines. All tenants have incomes between 31-40% AMI.

The Development Committee recommends an allocation of \$34,000 in the form of a loan on which the principal will be forgiven at the 10th year.

Rick Messerschmidt moved to approve the Development Committee recommendation; seconded by Jane Fogg. Motion Carried Unanimously.

4.5 River Trace, Recommend Capital Improvement allocation

River Trace is a HUD/PRAC project that services very low income seniors who pay 30% of their adjusted income for rent. The combination A/C heating units in the individual apartments are beginning to fail. The dollars in the replacement reserve account are insufficient to replace the units.

The \$38,041 grant application includes 36 individual HVAC units for the complex at 1717 6th Avenue. Twenty-nine (29) tenants have incomes at or below 30% AMI and seven (&) have incomes of 41-40% AMI.

The Development Committee recommends funding the request of \$38,041 in the form of a loan on which the principal will be forgiven at the 10th year.

Debbie Fisher moved to approve the Development Committee recommendation; seconded by Rick Messerschmidt. Motion Carried Unanimously.

Other Business

Josh Hellyer asked the Board to sign up for the October 21 Bus Tour.

Elizabeth Presutti passed out the DART Forward 2035 plan and recognized Chris Hensley, Angela Connolly and Steve Van Oort on the PCHTF Board as being instrumental moving DART Forward. She thanked all for their support.

Chris Hensley encouraged everyone to look at the plan; it is an important key component to the city.

Claire Richmond talked about the Haunted House Run the last Wednesday of October (October 26). They are asking for a \$10.00 donation. The proceeds will go to the Polk County Housing Trust Fund. Chelsea Lepley a runner and a PCHTF Board Member will say a few words on behalf of PCHTF.

With no other business the meeting adjourned at 11:23 a.m.

The next meeting of the Polk County Housing Trust Fund is at 10:00 a.m. on Friday, December 2, 2016.

Respectfully submitted,
Carol Duncan
Administrative Coordinator
Polk County Housing Trust Fund