

POLK COUNTY HOUSING TRUST FUND  
BOARD OF DIRECTORS MEETING  
Friday, December 5, 2014  
10:00 a.m.

**MINUTES**

Board Members Present:

Angela Connolly, Creighton Cox, Beverly Evans, Debbie Fisher, Luke Gray, Lance Henning, Steve Patterson, Sean Pelletier, Elizabeth Presutti, Troy Thompson, Steve Van Oort, Linda Westergaard

Board Members by Conference Call:

Kathy Gray, Christine Hensley

Board Member Absent:

Joe Gonzalez

Guests:

Diana Deibler, Deibler & Company, Russ Frazier, Anawim Housing

Staff:

Eric Burmeister, Lori Kauzlarich, Josh Hellyer, Tracy Levine

**BUSINESS MEETING**

Debbie Fisher, Board Chair, called the Business meeting to order at 10:05 am.

Approve Agenda

A motion to approve the amended agenda was made by Sean Pelletier; seconded by Creighton Cox. Carried unanimously.

Approve October, 2014 minutes

A motion to approve the October Minutes was made by Steve Patterson; seconded by Linda Westergaard. Carried unanimously.

2. Report of the Finance Committee

2.1 Recommended approval of July, August, and September 2014 financials

Treasurer Troy Tompkins reported on behalf of the Finance Committee for review of July – September financials, indicating there are no significant variances. A check was received in November for \$750,000 in County funds. The State Housing contract is expected for January/February. When asked about comparison to last year, Eric said the most apparent difference is in the employee benefits section where there are some front loaded costs on the insurance plan.

A motion to approve the July, August, September, 2014 Financial Reports was made by Steve Patterson; seconded by Steve Van Oort. Carried unanimously.

2.2 Amendment to Investment Policy

Troy explained that the Finance Committee reviewed the Investment Policy as it pertains to approved depositories. The current policy requires depositories to be contributors to the PCHTF annual campaign. Currently, assets exceed the number of approved depositories. The Committee recommends that the policy be changed to state "preference be given" to contributors.

A motion to amend the Investment Policy language, as per the Finance Committee recommendation, was made by Lance Henning; seconded by Christine Hensley. Carried unanimously.

### 3. Report of Governance Committee

#### 3.1 Report on Board Recruitment and Nominating Committee Appointment

Debbie Fisher reported on the recent Governance Committee meeting with respect to appointing a Nominating Committee. A goal for this year is to start the nominating process earlier. Bev Evans has agreed to chair with both board and non-board members serving as members. The Committee will contact the board about officer positions and second term renewals. There is one board appointment slot open. The goal is that the Nominating Committee make a recommendation to Governance Committee on January 21.

### 4. Report of the Development Committee

This year there are three applications which have applied for PCHTF money for projects to leverage low income housing tax credit and one that leverages City HOME dollars. The amount in the Affordable Housing Plan is \$960,000.00. These three requests will not exhaust this total.

#### 4.1 Recommended Amendment to Housing Allocation Plan

Withdrawn

#### 4.2 Recommend allocations for New Rental Developments

All four of the projects being considered are mixed income, meaning that there are plans for both affordable and market rate units. Eric reviewed the matrix for these agenda items as well as shared a summary of the impact of the recommended allocations.

##### 4.2.1 Southridge Senior Lofts

The developer is Miller-Valentine based in Cincinnati. Planned is a senior project of 53 units to be located in the parking lot of Southridge Mall. The developer has asked for the maximum amount of \$250,000.00. The recommendation is for funding in the form of a loan with the developer paying back the principal over a 30 year period and not charge interest on the principal. Payment terms are included on the 4.2.1 document.

##### 4.2.2 3714 Ingersoll Senior Mixed Use

Since submission of this application by Newbury Living the request has been withdrawn.

##### 4.2.3 MLK Crossing

The developer is Curly Top, which has built a number of senior projects around central Iowa. This one is for 55 units located on the east side of MLK north of Hickman. Again, the Committee recommends the funding of \$250,000.00 in the form of a 30 year loan at zero percent interest rate contingent upon receipt of other

funding along with the standard terms and conditions of PCHTF development contracts. Payment terms are included on the 4.2.3 document.

Part of the Development Committee's recommendation for 4.2.1 (Southridge Senior Lofts) and 4.2.3 (MLK Crossing) followed a discussion about debts and the amount that developers repay. Eric explained that the Committee looked at the repayment terms with a feeling to the extent possible and without jeopardizing a project, that PCHTF needs to be receiving back some of the funds to reallocate to other projects. This is the reason for the repayment terms included in both project amendments.

Eric further stated that since 1995, the Trust Fund has been fortunate in receiving annual funds from Polk County and the State of Iowa. Receiving repayment funds that can be reallocated and not jeopardize the projects, is a responsible thing to do.

A motion to approve the recommended allocation of \$250,000.00 for the Southridge Senior Lofts was made by Creighton Cox; seconded by Bev Evans. Carried unanimously.

A motion was made to approve the recommended \$250,000.00 for the the MLK Crossing senior apartments by Steve Patterson, seconded by Creighton Cox. Carried unanimously.

#### 4.2.4 Christ the King II

This is the second phase of a 26 unit senior housing project, of which 16 are planned to be market rate and 10 units are to be priced for households making between 41% & 50% of AMI. Christ the King I is located on the east side of SW 9<sup>th</sup>. This project, Christ the King II, is located on the west side of SW 9<sup>th</sup>. The property will be managed by Anawim Housing. The developer has asked for a loan of \$100,000.00, at 1% interest, compounded annually due in a single installment in 20 years. This project is supported with city funds.

A motion was made to approve the recommended allocation in the amount of \$100,000.00 for Christ the King II by Angela Connolly; seconded by Bev Evans. Carried unanimously.

#### 4.2.5 Hawthorn Hill/The Home Connection

Hawthorn Hill has received a donated property at 2411 East Grand, a single family home donated by Wells Fargo to their Home Connection. The total rehab cost is \$74,700.00. A grant is being requested in the amount of \$44,800.00. In return for awarding these monies, they will keep the property affordable to households that make less than 30% of AMI for 20 years. This is consistent with other projects done with Hawthorn Hill.

A motion was made to approve the recommended \$44,800.00 for Hawthorn by Steve Patterson; seconded by Angela Connolly. Carried unanimously.

### 4.3 Recommend allocation for Capital Improvement of Existing Rental Housing

#### 4.3.1 Tim Pinckney, 71 Heatherwood Drive, WDM

This property is owned by Tim Pinckney who has a long term agreement with the Christian Opportunity Center (COC) to rent the three bedroom home to clients of the Center who are developmentally disabled and make less than 30% of AMI. Each tenant will have an individual lease agreement. Mr. Pinckney, owner/president of Monarch Homes of Iowa, has requested funding for siding and a glass door. He has three other rental units within Polk County and has owned and rented this house since 2008.

Angela Connolly indicated Polk County had resources to aid in a situation like this and can put the landlord in touch with Polk County Health Services, the provider. A question was raised about residential property usage for this number of citizens and keeping them at a certain level that may result in a large money maker for the property owners.

PCHTF does not traditionally fund group homes because traditionally there has not been a lease in the tenant's name. This situation technically complies with PCHTF lease requirements.

A motion was made to delay the consideration of the COC capital improvement rental house until additional information can be sought and re-presented at a future meeting by Christine Hensley; seconded by Steve Patterson. Carried unanimously. Meanwhile, staff was asked to go back to the Development Committee to discuss the following questions for further clarification:

- 1.) Is Christian Opportunity Center a provider through the Polk County Health Services?
- 2.) Can someone provide some research about the organization itself? What are the specifics about its past and present?
- 3.) Is this request an allowable use at this location, zoning wise?
- 4.) How does the contract work between the Christian Opportunity Center and the owner (Monarch Homes)? How do the leases work with renters? Is there a copy of the lease available to share? How is it structured with maintenance and repairs?
- 5.) How is the situation different from a non-profit having a master lease? How is it structured?
- 6.) What would the rent be if a family rented it and moved in? What would this market actually be?

#### 4.4 Recommend Extension for OOR Contracts

Rebuilding Together is requesting an extension of its expiring OOR contract until 12/31/2015. At its October meeting the Board extended a number of expiring OOR contracts until 12/31/2015 and 2016 with the instructions that staff, committee and board members meet with providers to discuss the obstacles to getting PCHTF OOR allocations spent within the two year contract time period. That meeting was held on October 15. Various strategies were discussed to help support the barriers of finding both matched funds and contractors who are available to do the work and marketing ways to get information out about the OOR program and the legwork required to help with qualifying.

A motion was made to extend contract RT1102120OR until 12/5/2015 and to renew its recommendation to extend existing OOR contracts in accordance with the handout schedule was made by Angela Connolly; seconded by Creighton Cox. Carried unanimously.

Announcements: The January board meeting will be Friday, January 9 (second Friday) due to the New Year holiday. Eric asked board members to put upcoming 2015 meeting dates on their calendars as per the handout. PCHTF hockey night is Friday, December 12. Everyone is welcome. Elizabeth asked about the schedule for the Housing Tomorrow Report. Eric recapped the timeline for an April rollout.

Adjournment: With no further questions nor business, a motion was made to adjourn the meeting at 11:35 am by Steve Patterson; seconded by Steve Van Oort. Carried unanimously.

Respectfully submitted,  
Tracy Levine  
Administrative Coordinator