

POLK COUNTY HOUSING TRUST FUND  
BOARD OF DIRECTORS MEETING  
Friday, June 5, 2015  
10:00 a.m.

**MINUTES**

Board Members Present:

Beverly Evans, Debbie Fisher, Joe Gonzalez, Kathy Gray (via phone), Luke Gray, Lance Henning, Christine Hensley, Steve Patterson, Sean Pelletier, Elizabeth Presutti, Troy Thompson

Board Members Absent:

Angela Connolly, Creighton Cox, Izaah Knox, Steve Van Oort, Linda Westergaard

Guests:

Pam Carmichael, HOME Inc., Diana Deibler, Deibler & Company, Tim Shanahan, Hawthorn Hill/Home Connection

Staff:

Eric Burmeister, Lori Kauzlarich, Josh Hellyer, Tracy Levine, Claire Richmond, Lauren Johnson

**Public Hearing**

Debbie Fisher, Board Chair, called the Public Hearing to order at 10:00 a.m. Notice of the Hearing was published in the Business Record on May 22, 2015 and in the Des Moines Register on May 20, 2015.

Pam Carmichael, Executive Director of HOME Inc. was in attendance and requested to speak. It was suggested that Pam be given the floor when the Housing Allocation plan was addressed on the agenda. No other speakers were present and having no comment from the Board, the Board Chair closed the Public Hearing and called the Business Meeting to order.

**Business Meeting**

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

Approve Agenda

A motion to approve the amended Agenda to add a report by the Advancement Committee (after item 5) was made by Sean Pelletier; seconded by Steve Patterson. Carried unanimously.

Approve April, 2015 minutes

A motion to approve the April Minutes was made by Elizabeth Presutti; seconded by Beverly Evans. Carried unanimously.

## Report of Governance Committee

### 2.1 Conflict of Interest Policy

Debbie Fisher, chair of the Governance Committee, said that the Polk County Housing Trust Fund requires that its Conflict of Interest Policy be reviewed by the committee yearly and approved by the board.

A motion to approve the current PCHTF Conflict of Interest Policy without revisions was made by Chris Hensley; seconded by Joe Gonzalez. Carried unanimously.

## Report of the Development Committee

Debbie Fisher excused herself from the room on account of a conflict of interest (as an employee of Newbury Living, the applicant developer) and turned the meeting over to Steve Patterson for the 3.1 and 3.2 agenda items.

### 3.1 Recommend approval of amendment to 2014/2015 Housing Allocation Plan

As of May 2014 there remains \$433,764 in the 2014/15 Housing Allocation Plan (HAP) that is unallocated. All funding application periods have closed. The exception is for HOME Inc.'s application for a \$10,000 technical assistance grant that the Committee has held over for additional information for the next meeting. A need has been expressed by a community developer for \$400,000 in funds for a Rental Development project.

A motion to approve the Development Committee's recommendation amending the 2014/15 HAP to move all but \$10,000 of unallocated funds into the Rental Development category was made by Joe Gonzalez; seconded by Chris Hensley. Carried unanimously.

### 3.2 Recommend approval of Newbury/Bryn Mawr

Development Committee member Joe Gonzalez reported that Newbury Living is proposing to buy the apartment building at 511-29<sup>th</sup> Street (between Grand and Ingersoll (known as Bryn Mawr) for renovation. The building is close to a grocery store, bus route and other amenities. It is all studios that rent for \$500.00 per month.

In addition to the renovation there will be three units added in the basement space which involves the relocation of laundry equipment from the basement to each to each residential floor. The total number of apartments will be 29 and the building will have sprinklers.

Newbury proposes to keep six of the units for households making less than 30% of AMI for 15 years, three units affordable for 60% AMI and two units affordable for 80% for 10 years. The balance of the units would be market rate.

The Committee recommends PCHTF funding of \$400,000.00 at zero percent interest. Principal would be forgiven at due date if affordability covenants are satisfied.

Affordable units could be repurchased by repaying the loan amount at the rate of \$50,000.00 for each 30% unit and \$20,000.00 for 60 and 80 percent units.; with the standard terms and conditions of PCHTF development contracts.

Funding will be contingent upon the project receiving Federal and State historic credits.

Discussion followed about the repayment provisions.

An amended motion was made by Steve Patterson to keep the affordability agreement for a minimum of 10 years, not allowing the developer to pay us back and if they do so after that we establish some kind of market interest rate to charge, allowing the Development Committee to finalize the terms so that the project can move forward; seconded by Sean Pelletier. Carried unanimously.

### 3.3 Recommend approval of 2015/16 Housing Allocation Plan

Pam Carmichael's comment and suggestion advocating for any funded project in the rental area to include 10% of its units affordable to households that make less than 30% of AMI was discussed. This is different than what we have done before which is to encourage 30% units and paid for these. However, it has never been a requirement in order to receive PCHTF money a project must include 30% units and PCHTF will pay for these. There was discussion on how far the money for rental housing would go. Pam said that if this is the case there may be smaller developments and more environmentally friendly ones which is a good thing. Additionally, in order to serve 30% households how will access to supportive services be provided – either internally or through links from our service providers?

A motion was made by Lance Henning to approve the Development Committee recommendation that PCHTF adopt the proposed Housing Allocation Plan as attached in the packets for Fiscal Year 2015-2016 and that the HAP be forwarded to The Iowa Finance Authority as required by law and published on the PCHTF website; seconded by Chris Hensley. Carried unanimously.

## 4. Report of the Operating and Supportive Services Committee

### 4.1 Recommend approval of 2015/16 OSS Allocations

Kathy Gray, chair reported that the Committee reviewed the grants and paying attention to missions of the applicants. There were no new organizations to seek funding. The Committee Recommendation spreadsheet includes last year's award dollars, the requested amount for 2016 and the funding recommendation from the OSS Committee for 2016. For 2014/15 \$350,000 was allocated compared to \$395,000 the previous year.

All provider applicants were asked to come in to talk about their programs, their matrix and their headed direction. Kathy told the board that this was the first time the matrix was in place with varying degree of success and meaningfulness by the applicants. How much of the supportive success was going to 30% of AMI?

Furthermore, the contracts are going to require that everyone go into centralized intake in order for people to be referred out into the rental unit and the Housing First model.

Eric talked about the two organizations that were denied funding.

A motion to approve the OSS Committee's recommendation that PCHTF enter into Operating and Supportive Service contracts with the named Providers in the appropriate amount for the 2015/16 fiscal year was made by Chris Hensley; seconded by Steve Patterson with Lance Henning abstaining. Carried unanimously.

## 5. Report of the Finance Committee

### 5.1 Recommend approval of 2015/16 Budget

Treasurer Troy Thompson reported on the March and April statements. Troy noted that in April of this year, compared with last year, the total revenues are down about \$140,000 primarily in two categories: the State Housing Trust Fund dollars and the grants/fundraising (\$80,000), however once the pledges and grants come in, will be considerably less. Programs are about \$230,000 higher in commitments this year resulting in a net through a ten month period of a deficit of about \$250,000 compared with a positive of \$200,000 from a year ago.

A question was asked about the State Lobbyist amount of (\$850). This is actually a credit. The twenty seven other state-wide local housing trust funds together contribute to the annual service of Tom Cope for \$15,000. The breakdown is a percent of the fee based on each organization's housing allocation from the State Housing Trust Fund from the previous year. This year there is \$850 to apply to this bill for next fiscal year.

A motion to approve the March & April financial reports was made by Chris Hensley; seconded by Lance Henning. Carried unanimously.

### 5.2 Recommend approval of the 2015/16 Budget

Eric explained that the final budget in the packet is the year-to-date expenses vs last year's budget. This is helpful in comparing the two.

Treasurer Troy Thompson walked everyone through the 2015/16 budget highlighting receipts from the State Trust Fund dollars (\$500,000 plus \$50,000) based on the minimum amount we are to receive. The additional dollars are not guaranteed. The grant/fundraising projection is \$325,000 down from a year ago. On the expense side the "Housing Tomorrow" line item was reduced to \$7,500 to be used for continued advocacy of the Plan. There is a \$7,500 expense for an organization strategic planning meeting to refresh the strategic plan going forward.

An increase in staff cost includes an additional salary for a half time administrative coordination work. Carol Duncan has agreed to return in this capacity. Also, there is an increase for electronic media. Most of last year's marketing budget was used for a Business Record insert (paid placement in advertising) which was effective

enough to warrant repeating. The other marketing expense will cover updating the website.

A motion to approve the 2015/16 Budget was made by Steve Patterson; seconded by Sean Pelletier. Carried unanimously.

#### Addition to Agenda: Report of the Advancement Committee

Sean Pelletier began by thanking the board for their efforts on behalf of this year's campaign to raise money for operating and supportive services. The year-to-date receipt/pledge figure is \$256,000. With a soon to be received \$40,000 grant, the total is \$296,000. This includes \$45,500 from 15 new or lapsed donors. Sean further explained that this year's figure is down from last year due to two companies, Aviva (now Athene USA) and DuPont Pioneer changing their focuses. The Principal Financial Group Foundation was \$15,000 less. Taking these reductions into account, the total would match last year. Sean explained that letters will be sent to donors (with the Business Record insert) thanking them for their support. There was also discussion about follow-up to those who did not return calls but may be receptive to another caller.

#### 6.) Report on BUILD Health Challenge Grant

Eric announced that Des Moines is one of seven cities nationally to receive a BUILD Health Challenge grant from the Kresge Foundation, the de Beaumont Foundation and the Robert Wood Johnson Foundation. Eric, Josh Hellyer and Claire Richmond along with a representative from Visiting Nurses Services, will be traveling to Washington DC to be honored at the BUILD Health Challenge Award Ceremony. This grant is a pilot project for Polk County to begin to identify homes with children experiencing asthma or respiratory conditions; then help renovate the homes and finally educate families on how to identify asthma triggers and prevent them from having an impact on their health. The annual budget is a little over \$800,000, most of which is new money from the BUILD Health Challenge foundations, the medical community, and others who have not participated in housing before. It is a two year grant. Claire will fill the role as the project manager position. She will be housed at the PCHTF office and her salary will be from the grant. PCHTF is contributing in-kind office expenses with some of the OOR money targeted to the project.

A motion to affirm PCHTF participation in the BUILD Health Challenge grant was made by Chris Hensley; seconded by Beverly Davis. Carried unanimously.

#### 7.) Staff

Chair Debbie Fisher thanked the staff for their work this past year. She applauded their efforts and Eric's leadership for the strides made in addressing critical issues of housing.

Eric introduced Lauren Johnson, the intern for this year's Jazz in July continuing as part of the "Can I Be Your Neighbor" campaign.

Finally, Debbie and Eric than thanked Luke Gray for his participation on the board.

With no more questions or any other business, the meeting was adjourned at 11:30 pm.

The next meeting of the Polk County Housing Trust Fund is Friday, August 7, 2015 at 10:00 am.

Respectfully submitted  
Tracy Levine  
Administrative Coordinator