



JOINT PARK CITY AND SUMMIT COUNTY COUNCIL MEETING MINUTES
445 MARSAC AVENUE
PARK CITY, SUMMIT COUNTY, UTAH 84060

April 25, 2023

The Councils of Park City and Summit County, Utah, met in open meeting on April 25, 2023, at 9:00 a.m. in the City Council Chambers.

JOINT PARK CITY COUNCIL AND SUMMIT COUNTY COUNCIL MEETING

I. ROLL CALL

Park City Council Attendee Name	Status
Mayor Nann Worel Council Member Ryan Dickey Council Member Max Doilney Council Member Becca Gerber Council Member Jeremy Rubell Council Member Tana Toly Matt Dias, City Manager Margaret Plane, City Attorney	Present
None	Excused

Summit County Council Attendee Name	Status
Chair Roger Armstrong Vice Chair Malena Stevens Council Member Tonja Hanson Council Member Canice Harte Council Member Chris Robinson - via Zoom Shane Scott, County Manager Janna Young, Deputy County Manager Margaret Olson, County Attorney	Present
None	Excused

II. HOUSING DISCUSSION

Housing Authority Workshop Presentation by Daniel Nackerman, Salt Lake City Housing Authority Executive Director:

Daniel Nackerman reviewed the Salt Lake City Housing Authority (SLCHA) was the largest permanent housing provider in the state. A housing authority (HA) provided resources that were otherwise unavailable. There were public/private relationships with HAs. He noted many HAs were consolidating to have more of an impact in a region and Nackerman reported there were currently 19 HAs in Utah.

Nackerman asked some questions for the Councils to consider, including if housing needs were being met, the advantages versus disadvantages of HAs, if they were considering local HAs or a regional HA, if resources were waxing or waning, the different types of initiatives such as preservation, vouchers, home ownership, etc., the targeted populations, and potential partners. He reviewed the history of the federal government's role in affordable housing. The plan was to have qualified individuals pay 30%-40% of their income for housing, with the government subsidizing the rest of the rent. He commented that seniors were a growing pool of affordable housing residents.

Nackerman noted federal tax credits and public/private partnerships were replacing housing subsidies. Housing was focused on certain groups, such as workforce, seniors, veterans, disabled, and homeless people. He also discussed the different funding programs available. Council Member Gerber asked how a HA could qualify for the funding and if it would be ongoing. Nackerman stated SLCHA had been very aggressive in the last several years in applying for federal and state grants.

Nackerman explained the requirements for starting a HA per state code. He discussed funds were quickly distributed for victims of major disasters. He recommended implementing a taskforce as the first step in pursuing a HA. The taskforce could do an analysis and give a recommendation. They would choose the focus of the HA and create a strategy for initial funding, program emphasis, geography, etc. There would be Housing and Urban Development (HUD) interface, community and regional outreach, and then the HA could be formed.

Council Member Gerber stated she talked with some HAs and they indicated it was hard to get federal funding. Nackerman stated SLCHA was very aggressive in seeking funding. They were involved in real estate development and the profits from those endeavors also rolled into the housing fund for future projects. He commented that HUD had specialty funding for veterans and other specific groups. Council Member Gerber noted Nackerman stated SLCHA bonded and asked what they bonded for. Nackerman stated there were a few different reasons for bonding, but for the multifamily revenue bonds, it was against the rental income.

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Council Member Dickey asked what area the SLCHA covered, to which Nackerman stated there was a county HA and a city HA, and state law dictated that when city HAs were set up within a county, the applicants could reside within either boundary. Council Member Doilney asked if there were safety or security issues at the affordable properties, to which Nackerman indicated there were no concerns for safety and security. There was zero tolerance for any violent crimes. The HUD office had requirements not to house those who had ever manufactured meth or who were lifetime sex offenders. He stressed the key was the management of properties. Vice Chair Stevens asked if the HA provided the management to which Nackerman indicated they did for the majority of projects, but were using third-party management for tax credit sites.

Council Member Toly asked if there were areas that had senior housing mixed with affordable housing. Nackerman stated there were some instances, but most senior developments were designated for seniors only. Council Member Toly stated Colorado required that one person in the household had to be a citizen, but the challenge here was providing seasonal housing for international workers. Nackerman indicated HUD required citizenship, but there were other programs that did not require that. He found a good program for workforce housing through the HA. Council Member Hanson asked if there were HAs comprised of a county and multiple municipalities, to which Nackerman affirmed.

Council Member Dickey asked how competing interests were managed. Park City was a high-cost area, but the City's affordable housing policy was to only build in the City limits. He asked how to manage those requirements in a regional HA. Nackerman stated that would depend on how the HA was formed, and the attorneys would have to help with that.

Council Member Robinson asked if the SLCHA had enough properties that allowed the HA to self-perpetuate and grow. Nackerman stated 75% of the revenue was dependent on federal funds, but they were becoming profitable and in the next five to 10 years they expected to really take off. Projects that received tax credits were not allowed to make much money. They made \$50,000-\$200,000 per year on a typical tax credit project, and the HA could only make that for 15-20 years and then it would need to absorb the property. The consequences of that could be long term rent restrictions on the property or income restrictions so it would be an affordable property for 35 years or more. Council Member Robinson asked if SLCHA would develop a cash balance if they decided not to grow. Nackerman agreed that could happen but the entity could no longer request federal funds. Council Member Robinson noted SLCHA split the development fee on some projects and he asked if the revenues were split as well, to which Nackerman affirmed.

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Jason Glidden, Park City Housing Manager, reviewed the steps to create a HA and indicated the first step was to create a taskforce. Jeff Jones, Summit County Housing Director, stated the taskforce could create a policy. Council Member Gerber favored implementing a task force to evaluate all the options. Vice Chair Stevens asked how long it would take to implement this. Jones stated he needed to know the expectation for the taskforce. He thought it should have a limited focus and then build out from there. He recommended coming back with an outline and a process for the taskforce that would lay out how to interact with one another. Glidden stated they would come back to discuss this further at the next quarterly meeting.

Council Member Harte asked if Glidden and Jones had envisioned a regional HA or individual HAs. Nackerman stated he could help Glidden and Jones prepare two or three scenarios regarding the roles in Housing. Council Member Harte asked what the range and radius of an HA should be. Nackerman stated some HAs did it by similar housing needs and others did it by geography. There were some HAs that already existed and they partnered for certain projects.

Chair Armstrong asked if there was a benefit to combining resources in a regional housing authority (RHA). Nackerman stated there was some advantage but not a big one. There was some funding that would come through the Community Development Block Grant (CDBG) program and other sources as well. There were some funds that could come to cities, counties, and states.

Council Member Harte asked how much flexibility there was in a HA – specifically, could they adjust for various needs, or would it be better to have individual HAs to focus on independent needs. Nackerman stated a RHA could adjust to needs. Housing authorities needed to submit a plan each year to HUD and so priorities could be set. Chair Armstrong suggested projects in the city could be led by the city and projects in the county could be led by the county. Council Member Robinson favored implementing the taskforce and exploring the benefits of having one HA and two HAs.

Mayor Worel stated there were entities in the community that were working on housing. She asked Nackerman if SLCHA worked with other organizations on housing. Nackerman stated there were 40 organizations his HA worked with regularly. They lobbied in the state and in Washington, D.C. for housing. Mayor Worel asked about coordinated roles. Nackerman stated he was in the San Bernadino, California HA and there were 26 cities in that HA. He stated there were several studies on housing needs and staff could work based off those when the taskforce met.

Vice Chair Stevens asked if it would be advantageous to have a Wasatch Back RHA, and if so, could it be set up to later include other entities within the region. Nackerman

suggested getting attorneys to set that up. Council Member Toly asked if the County Council members had housing conversations with other cities within the county. Chair Armstrong indicated they had affordable housing conversations but there weren't discussions on HAs.

Council Member Harte noted it seemed there was flexibility and work could be done to find the best solution for all. Council Member Robinson asked which attorneys would be best for housing, to which Nackerman stated Ballard Spahr and Gillmore Bell were good. He noted having partnerships made less work per entity.

Chair Armstrong asked to see what the alternatives were, what the staffing would look like, the budget impact, and the administration of the authority. The Councils favored moving forward and having Jones and Glidden work on creating an outline for a taskforce.

III. SCHEDULE NEXT JOINT MEETING

It was indicated the next joint meeting would be on July 11th and Summit County would be the host.

IV. ADJOURNMENT

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder