



Wellington Community Housing - January 4, 2023

I. Attendees

Board Members: Amy Comstock, Mishie Daknis, John Evans, Bob Novascone

Staff: Julie Brewen, Michele Christensen, Tonya Frammolino, Julie Francis, Kristin Fritz, Tara Gaffney, Rachel Gaisford, Carly Johansson, Traci McGraw, Jeanna Nixon

II. Call to Order

Vice President Bob Novascone called the meeting to order at 6:03 pm.

III. Mindful Moment

Housing Catalyst Chief Executive Officer Julie Brewen led the group in a mindful moment.

IV. Citizen Input

There was no citizen input.

V. Approval of Minutes from October 20, 2022

Director Novascone moved to approve the minutes of the October 20, 2022 meeting.

President Mishie Daknis seconded, and the motion was passed unanimously.

VI. Action Items

Ms. Brewen requested approval to delete the wait list item from this meeting agenda because it was covered at the last meeting. Director Amy Comstock moved to approve. Director John Evans seconded, and the motion was passed unanimously.

Director Novascone asked about the possibility of removing lawn at 3914 Roosevelt and replacing with artificial turf or gravel in order to save on water and landscaping needs. Ms. Brewen asked that this question be delayed until later in the meeting when there will be a discussion about long-term plans and the recently completed Capital Needs Assessment (CNA). Part of a long-term plan will include discussion about landscaping needs and costs, along with many other issues.

a. Capital Needs Assessment

Housing Catalyst Manager of Real Estate Development Carly Johansson presented information and details describing initial steps taken to determine how to revitalize the portfolio of properties. The presentation is located in Boardable for reference. Ms. Johansson showed a map of all of the properties in the portfolio, where there is also a list of the property addresses, the types of buildings, and the unit descriptions.

Housing Catalyst Chief Real Estate Officer Kristin Fritz discussed the development research process: steps the development team takes when determining potential projects. She discussed the Town of Wellington's 2021 Comprehensive Plan and the Land Use Code, and how they effect the properties in the portfolio. She noted that the town's impact fees are very high for new construction.

Ms. Johansson then reviewed the recently completed CNA, as well as the process to hire the company to do it. She described what a CNA typically addresses, and the process that takes place to create the CNA. The company that was contracted to perform this work inspected 22 units, looking at all aspects of the property, recording all observations, and analyzing how much life remains to components of the property.

She discussed the summary of the products, equipment and costs for replacement on a like-for-like basis. Total replacement costs, to reach 15 years, is approximately \$1.87 million, plus additional required development costs. Other hard and soft costs would also be added. The projected total in hard costs is estimated at \$2.5 million (\$60,000 per unit); plus soft costs of \$1.4 million (\$34,000 per unit).

Ms. Brewen explained that there is still work to do, research to be conducted, and funding sources to be researched. The current budget and operating expenses will be reviewed carefully as currently it appears that the operating costs for these properties are outside of the parameters of the funding sources to be competitive. Additional information and details will be brought to this Board as progress is made.

VII. Staff Updates

a. Line of Credit Update

Housing Catalyst Chief Financial Officer Tonya Frammolino provided an update noting that she has received two quotes from local banks, and is waiting for a quote from a third bank. She will bring this issue back to the next meeting of this Board.

VIII. Financials

a. Audit update

Ms. Frammolino noted that Eide Bailly has been notified of the desire for an audit. More information will be presented to this Board at a later date.

IX. Discussion Items

a. Ethical Standards of Conduct/Conflict of Interest Policy and Form

Ms. Brewen noted that Board members will be receiving a copy of the newly-combined Ethical Standards of Conduct/Conflict of Interest Policy and form. All Board members will be requested to complete the form and sign.

X. Adjournment - Next Meeting Date: March 2, 2023

Vice Chair Novascone adjourned the meeting at 6:58 pm.