

PUBLIC HEARING #2
Neighborhood Stabilization Program (NSP3)
Tuesday, Sept. 27, 2011
324 South State Street, #501
Salt Lake City, UT 84111

MINUTES

Public Attendance:

Rebecca Taylor, HUD
Pauline Zvonkovic, HUD
Kelly Jorgensen, HUD
Tara Rollins; Utah Housing Coalition
Afton January, UHC
Tim Funk, Crossroads Urban Center
Kisty Morris, Morgan Stanley

Division of Housing & Community Development:

Gordon D. Walker; Division Director
Keith Heaton; Program Manager
Sue Kolthoff; Program Specialist
Shelli Goble, Housing Manager

Introduction: Keith started the public hearing at 9:00 AM by welcoming everyone. He explained the purpose of the public hearing is to receive comment on the project determined to be funded by NSP. Those in attendance introduced themselves.

NSP 3 Project: Sue reviewed the NSP3 project. A new mixed use high rise housing development by Ben Logue with NSP providing a gap financing loan of \$4.5 million due payable with interest in 2 years. Units will be SRO to 3 bed rooms with at least 10 units for low income homeless or HOPWA. The average LMI will be 53% of AMI. Public hearing was opened for comment.

Kelly Jorgensen: This is a good project having affordable housing downtown. He asked about solar panels on the building and Gordon Walker responded that we were not sure, but with limited roof top space he didn't think solar would provide enough power for the entire project.

Pauline Zvonkovic: Asked about the Midvale project that was the original NSP3 application. Keith responded that the project was held up in the city approval of the plans to house refugees. Pauline asked if there was any commercial. Gordon responded that only on the ground floor would there be limited commercial application. Keith stated that this aspect would not be funded by NSP. Pauline asked when the project would start. Gordon responded that it would start this year, but we have been held up waiting for HUD which proved to be fortuitous as we can now use NSP funds. Pauline asked about the website updates. Sue responded that she is working with HUD Denver to resolve issues with DRGR to update the website.

Tara Rollins: Asked about the public comment period and what she was commenting on since she had not seen any project specifics in writing. Sue responded that we were waiting for HUD DRGR update to post comments from this hearing and any emails, etc. will be included in the amendment.

Tara stated this was a good project but questioned whether this is the best project to use all of the NSP3 funds. She asked how the state had ensured citizen participation. Keith responded that we had held two public hearings. The consolidated plan states how public hearings are held and asked if this followed that procedure; where is this project? Sue stated that this is on the state website, but Tara questioned this.

During the first public hearing Tara was lead to believe that the NSP funding was being rescinded. Tara felt Keith was disrespectful in not providing more information since that time. Tara stated that all of a sudden we went from having no information to having this project. Keith and Sue both responded that this project was not on our radar until about a month ago when through the Olene Walker Housing Fund it came to our attention.

Tara asked how this project is eligible. Keith stated that it is redevelopment. Sue added that it is a vacant building. Tara stated that it wasn't vacant up until 2 years ago. Keith responded that it is vacant. Tara asked if the private sector would have taken care of this. Keith responded that NSP is providing gap financing to a private sector developer to provide LMI housing units including homeless and 50% of AMI. Tara asked about the HUD delays. Pauline responded that a HUD funding source was most likely the cause of the delay, most likely multi-family. Tara, how is the location eligible? Keith responded that we mapped the project per HUDs criteria and it qualified. Tara asked about the amount of the loan and the administration. Keith responded that the admin money is being set aside for future use in administering the program. Tara disappointed in states effort to involve the public to a greater degree.

Tim Funk: Supports the project and the SROs in the project, feels the city has done a disservice in how it handled this project previously. Concerned about the URA and those that previously resided in the project area. Tim stated that because this is federal money URA will apply even if the residents were displaced previously. Tim agreed with Tara that he did not disagree with the award of the loan but he did disagree with the process for public involvement. Keith thanked Tim for his comments. Tara asked Tim for clarification on the URA and Tim explained further. Gordon asked where those former tenants now lived. Tim responded that there were over a dozen, some moved in Palmer Court. Gordon stated that they had already been relocated. Keith promised to look into it further,

No further comments were received – public hearing was closed at 9:35.