

**BOISE CITY/ADA COUNTY HOUSING AUTHORITY, SHORELINE PLAZA, INC.
& AFFORDABLE HOUSING SOLUTIONS, INC.
COMMISSIONERS**

**November 9, 2016 @ 4:00 p.m. – Housing Authority-3rd Floor Board Room
1276 River Street, Suite 300, Boise, Idaho**

CALL TO ORDER

ROLL CALL

CONSENT AGENDA

- I. Regular Meeting Minutes of October 12, 2016 – BCACHA**
- II. Special Meeting Minutes of October 27, 2016 - BCACHA**
- III. Bills and Communication**

OLD BUSINESS

- I. Chairman's Report**
- II. Executive Director's Report**

NEW BUSINESS (ACTION)

- I. Health Insurance Renewal Presentation – Moreton & Co.**
- II. Boise 5 Update – Bob Reed**
 - a. Consideration for Approval for Restructure and Refinancing of Shoreline Plaza, Inc. Properties – BCHA Resolution #495**
 - b. Consideration for Approval of Sole Member of North Liberty LLC**
 - c. Consideration for Approval of Sole Member of Vine Street LLC**
 - d. Consideration for Approval of Sole Member of Shoreline North LLC.**
 - e. Consideration for Approval of Sole Member of Nez Perce LLC**
 - f. Consideration for Approval of Resolution of the Board of Directors of Shoreline Plaza, Inc. for Refinancing – Shoreline Plaza, Inc. Resolution #49**
- 111. Board Elections**

**BOISE CITY/ADA COUNTY HOUSING AUTHORITY &
AFFORDABLE HOUSING
SOLUTIONS, INC.**

MEETING OF THE BOARD OF COMMISSIONERS

November 9, 2016

TIME AND PLACE OF MEETING

Chairman Brad Foltman called the meeting to order at 4:00 p.m. on Wednesday, November 9, 2016. The meeting was held at the Boise City/Ada County Housing Authority Board Room 1276 River Street, Boise, ID 83702.

ROLL CALL

Commissioners Present: Chairman Foltman, Vice Chairman Rock, Commissioner Legarreta, Commissioner Machacek, Commissioner Ashton

Commissioners Absent: Commissioner Fitzgerald, Student Commissioner Jasmine Xu and Student Commissioner Ella Ernst

Others Present: Commissioner (Pending City Approval) Raquel Gugliemetti, Ada County Prosecuting Attorney Ray Chacko, Executive Director Deanna Watson, Deputy Civil Attorney Abbey Germaine, Attorney Mike Stoddard, Drew Ranstrom with Moreton & Co, Finance Director Diana Meo, Housing Programs Director Jillian Patterson, Senior Staff Accountant Annette Sampson, Development Director Bob Reed,

Chairman Foltman recognized and welcomed Raquel Gugliemetti, our new Board Commissioner awaiting approval from Boise City Council.

CONSENT AGENDA

Regular Board Minutes October 12, 2016

Commissioner Legarreta moved to approve the minutes of the October 12, 2016 Board of Commissioners meeting. Commissioner Ashton seconded. The motion passed by a voice vote.

Special Board Meeting Minutes October 27, 2016

Commissioner Machacek mentioned that his name should be included as those who attended by telephone. That change was noted. **Commissioner Ashton moved to approve the minutes of the October 27, 2016 Special Meeting of the Board of Commissioners with that change noted. Vice Chairman Rock seconded. The motion passed by a voice vote.**

Bills and Communications:

Director Watson said that BCACHA has received the HUD Management audit review from July's audit. Their findings and recommendations will be forwarded to Commissioners via email.

OLD BUSINESS

Chairman's Report:

Chairman Foltman had none.

Executive Director's Report:

Allumbaugh House Crisis Center

Director Watson gave a report about the Joint Powers Entity meeting at Allumbaugh House on Monday, November 7. It was well attended by Ada County Commissioners Tibbs and Yzaguirre, as well as Mayor Bieter, Mayor de Weerd, Health & Welfare staff, hospitals' staff and staff from Terry Reilly. The main item of discussion was the fact that the state will be issuing an RFP for fiscal and management services of the new crisis center. The center's services were determined to be too involved for the County to assume this role. There was a report on the operations of Allumbaugh House. They stated that approximately 61% of clients are classified homeless; either homeless in fact or in unstable housing situations. They have seen an increase in meth mixed with bath salts and heroin use. This is causing impulsive and unpredictable behaviors amongst the clients, who are not as willing to stay as long.

Elevators

BCACHA is now under contract with Schindler for the ongoing maintenance of elevators and the modernization at Capitol and Franklin Plaza. There was a staff change that resulted in a delay in parts ordering for the modernization project. The contract allows for "liquidated damages" as of 12/26'2016, and the project is not expected to be completed by that date. There continues to be problems at Shoreline and Capitol but Schindler has been very responsive.

NEW BUSINESS

Health Insurance Renewal Presentation

Drew Ranstrom from Moreton & Co. presented the details of the new plans for the 2017 health insurance renewal. Select Health now participates in community rating. There were few changes for the coming year. The out-of-pocket maximum has been raised from \$5000 to \$6000, and

there is a small change on the prescription benefit. Everything else remains the same. The report shows about a 3.5% increase in premiums, but with some recent new-hires that rate may be closer to 5%. Select Health has made a change as to how they deliver the rates. It is no longer a composite rate, but instead an age-banded rate. Overall our experience with Select Health has been good with most people pleased with the plan. Providers will remain the same. It is a St. Luke's driven network; St. Luke's physicians, hospitals and care facilities. Access has not been an issue.

Dental Plan – our carrier is Delta Dental and the plan remains the same with no changes in cost.

Vision Plan – our provider is VSP with no changes for the new year.

Life and Disability – Everything remains the same except for short-term disability. That plan went up about 10% based on the loss-ratio of the group.

Chairman Foltman asked Finance Director Meo what she thought about this and she said it is good news as they had planned on and budgeted for a 17% increase.

Vice Chairman Rock moved to approve the new health plan for 2017, Chairman Foltman seconded. The motion passed by a voice vote.

Director Watson thanked the staff of Moreton & Co. for their professionalism, responsiveness and service.

Bond Refinance Update

Attorney Mike Stoddard gave the review of the net present value calculations done by Zion's Bank. After analysis, the result is that there is a net present value savings of \$372,000, or 3.43%. Usually, the rule of thumb for financial agencies is that they want to see at least a 3% savings in a refinance such as this. Even though the life of the debt will be extended by 20 years and the total payments will increase by \$5.5 million, we end up with a net present value savings because it is spread out over a longer timeframe.

Development Director Reed stated that in terms of cash flow for these properties, we will be in the black for years to come as long as we monitor rents and expenses. This restructuring has turned the process around from being in the red to now have cash flow in the black. These five properties will bring in approximately \$133,000 within the first year. An interest rate of 3.01% was found and locked in. Eventually Ginnie Mae (GNMA) will purchase the loan.

Mr. Stoddard then gave the time-line for the final closing schedule. On November 14 all the documents will be in the title process and recorded on the 15, 16, 17 of November. Thursday, November 17, is the day that all bonds will be paid off and \$10,870,000 will flow from closing to the bond trustee to pay off the principle. There will also be approximately \$300,000 paid in interest due. Escrow will hold funds for 14 days and bond holders will be paid in early December. The Housing Authority will receive a little over \$1.4 million. Finance Director Meo will not have to deal with the bonds again.

Chairman Foltman mentioned that this process has been going on for approximately 2 years and this is the 3rd iteration of it. He stated his appreciation for all the efforts of those involved. Development Director Reed began his presentation of the resolutions needed to complete the project, reminding the Board of how long and arduous this process has been. The documents for approval and signature today are required by HUD to complete the transaction and refinancing package.

The first resolution is with Boise City Housing Authority and the following documents refer back to this first one. Each references a new single asset entity (SAE) LLC. BCHA is the sole member of each LLC except for Shoreline Plaza Inc which has its own board.

Commissioner Machacek moved to approve Resolution #495 Boise City Housing Authority Restructure and Refinancing of Shoreline Plaza, Inc. Properties. Vice Chairman Rock seconded. The resolution was approved by a voice vote.

Commissioner Machacek moved to approve Resolution of Sole Member of North Liberty LLC Regarding Section 207 Pursuant to Section 223(f) Refinancing. Vice Chairman Rock seconded. The motion was approved by a voice vote.

Commissioner Machacek moved to approve Resolution of Sole Member of Vine Street LLC Regarding Section 207 Pursuant to Section 223(f) Refinancing. Vice Chairman Rock seconded. The motion was approved by a voice vote.

Commissioner Machacek moved to approve Resolution of Sole Member of Shoreline North LLC Regarding Section 207 Pursuant to Section 223(f) Refinancing. Vice Chairman Rock seconded. The motion was approved by a voice vote.

Commissioner Machacek moved to approve Resolution of Sole Member of Nez Perce LLC Regarding Section 207 Pursuant to Section 223(f) Refinancing. Vice Chairman Rock seconded. The motion was approved by a voice vote.

Election of Officers


Chairman Foltman called nominations open for Chair and Vice Chair of the Boise City / Ada County Housing Authority Board.

Commissioner Legarreta nominated Brad Foltman to continue as Chair. Commissioner Ashton seconded. Commissioner Machacek moved that the nominations cease. Vice Chairman Rock seconded. The motion passed by a voice vote.

Commissioner Legarreta nominated Kent Rock to continue as Vice Chair. Commissioner Ashton seconded. Commissioner Machacek moved that the nominations cease. Chairman Foltman seconded. The motion passed by a voice vote.

There being no further business, the meeting was adjourned at 4:55 p.m.

Respectfully submitted,


Deanna L. Watson, Executive Director


Brad Foltman, Chairman

SHORELINE PLAZA, INC.

MEETING OF THE BOARD OF DIRECTORS

November 9, 2016

TIME AND PLACE OF MEETING

President Brad Foltman called the meeting to order at 4:55 p.m. on Wednesday, November 9, 2016. The meeting was held at the Boise City/Ada County Housing Authority Board Room 1276 River Street, Boise, ID 83702.

ROLL CALL

Officers Present: President Foltman, Vice President Rock, Director Legarreta, Director Machacek, Director Ashton

Officers Absent: Director Fitzgerald, Student Director Jasmine Xu and Student Director Ella Ernst

Others Present: Director (Pending City Approval) Raquel Gugliemetti, Ada County Prosecuting Attorney Ray Chacko, Executive Director Deanna Watson, Deputy Civil Attorney Abbey Germaine, Attorney Mike Stoddard, Drew Ranstrom with Moreton & Co, Finance Director Diana Meo, Housing Programs Director Jillian Patterson, Senior Staff Accountant Annette Sampson, Development Director Bob Reed,

NEW BUSINESS

Director Machacek moved to approve Resolution #49 Shoreline Plaza, Inc. Regarding Section 207 Pursuant to Section 223(f) Refinancing. Director Legarreta seconded. The resolution was approved by a voice vote.

Development Direct Reed explained the need for the approval of an amendment to the By-Laws of Shoreline plaza, Inc. This is a HUD requirement asking that we stipulate in the by-laws that if we ever change our business purpose or mission, HUD would need to give approval first. It is a protection clause for HUD.

Director Ashton moved to approve Amendment to By-Laws of Shoreline Plaza, Inc. Director Rock seconded. The motion passed by a voice vote.

Election of Officers


President Foltman called nominations open for President and Vice President of Shoreline Plaza, Inc.

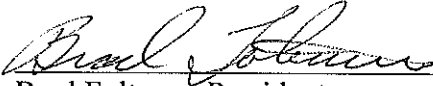
Director Machacek nominated Brad Foltman to continue as President. Director Ashton seconded. Director Machacek moved that the nominations cease. Vice President Rock seconded. The motion passed by a voice vote.

Director Machacek nominated Kent Rock to continue as Vice President. Director Ashton seconded. Director Machacek moved that the nominations cease. President Foltman seconded. The motion passed by a voice vote.

There being no further business, the meeting was adjourned at 5:00 p.m.

Respectfully submitted,


Deanna L. Watson, Executive Director


Brad Foltman, President