

**Community Development Corporation  
Board Meeting Notice**

TO: CDC Board Members  
Scott Winship, **Chair**  
Shari Bell-Beals, **Vice Chair**  
Gary Hawkinson, **Secretary**  
Mike Miller, **Treasurer**  
Kyle Denbrook  
Ray Velkers  
Gar Hansen  
Hollie Johnson

FROM: Bryan Schmid, Affordable Housing Supervisor  
Pierce County Human Services

**CDC BOARD MEETING FOR March 16, 2021**

A regular meeting of the Community Development Corporation will be held  
**TUESDAY, March 16, 2021 at 8:00 A.M.**

The CDC Board Meeting will be conducted via Zoom. There is a link to join via app/web browser and there is also an option to call in. Please let us know if you run into any issues.

You are invited to a Zoom webinar.

When: **March 16, 2021 at 8:00 AM**  
Topic: **CDC Board Meeting**

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join. <https://piercecountywa.zoom.us/j/99477035348>

Or join by phone:

(253) 215 8782 or  
(877) 853 5247 (Toll Free) or  
(888) 788 0099 (Toll Free)

Webinar ID: 994 7703 5348

**COMMUNITY DEVELOPMENT CORPORATION  
MEETING AGENDA**

**March 16, 2021**

**Call to Order -**

**Review and approve February 16, 2021 CDC Board meeting minutes:**

**Housing Resolutions:**

- H-2021-12 Borrower A
- H-2021-13 Applicant A
- H-2021-14 Borrower B
- H-2021-15 Borrower C
- H-2021-16 Applicant B
- H-2021-17 Applicant C

**Other Business:**

- December Financials / Vouchers
- Late Payment Reports

**Staff Updates:**

- Board Appointments
- American Rescue Plan Funding/Potential CDC impact

**Future Business:**

- County Budget 2022-23 impact to the CDC
- Affordable Housing NOFA - May 2021

**Public Comment Period:**

**Adjourn**

**MINUTES OF THE  
COMMUNITY DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING**

February 16, 2020  
8:00 am

A meeting of the Board of Directors of the Community Development Corporation was held virtually on Zoom. The link to join via app/web browser:  
<https://piercecountywa.zoom.us/j/99477035348>

The meeting was called to order by Vice Chair, Bell-Beals, at 8:05 a.m.

Those present were: Directors Winship, Velkers, Denbrook, Johnson, Miller, Hawkinson, & Bell-Beals

Absent: Director Hanson

Staff in attendance: Bryan Schmid, Laura Charbonneau, Shannon Shuman, Lucy Newman, Robyn Lee, & Vy Yun

Guests: none

**UNFINISHED BUSINESS**

Director Bell-Beals, Vice Chair, requested CDC Board Members review the minutes of the January 19<sup>th</sup>, 2021, meeting. With no questions, Director Velkers moved to approve the minutes, and the motion was seconded by Director Johnson. The vote was unanimous, and the minutes were adopted.

**NEW BUSINESS**

**CDC Housing Resolutions:**

**Resolution H-2021-004** was presented for a loan modification request on a First Time Homebuyer loan under the Neighborhood Stabilization Loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Is she getting her child support payments regularly? Staff: Yes, she is paid through DSHS.
- Board: What's the likelihood getting to the end of the term anyway? Staff: Not likely in this case.
- Board: Recommended that CDC move forward with proposed resolution.

Staff noted that the interest rate on the installment note was 3%. The Board felt that this was acceptable, and the CDC should not lower. With no further questions from the Board, the resolution was moved to approve by Director Velkers and seconded by Director Hawkinson. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2021-005** was presented for approval to foreclose on a CDBG loan under the home rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Who owns it now? Staff: An investment firm, Holding LLC
- Board: They were willing to purchase on a Statutory Warranty Deed? Staff: Yes.
- Board: This is almost a year ago? Staff: Yes, January 24<sup>th</sup>, 2020.
- Board: Was it listed for sale? Staff: We did research the listing online and we did not see anything.
- Board: Can I look it up? Staff: Yes, address was provided.
- Board: Does not show any listing for sale.
- Board: Holding LLC company is out of Spanaway. Staff: We did review with CDC legal counsel and feel we still should have been paid.
- Board: Did investor turn this into a rental property? Staff: We are unsure.
- Board: If it is noted in the Statutory Warranty Deed, wouldn't the CDC be noted?  
Staff: It could be transferred, and the CDC wouldn't necessarily be paid.
- Board: Could we do a lis pendens? Staff: CDC legal counsel suggested this action.
- Board: It is possible we could do a notice of intent to force payment from Holding, LLC. Staff: That is the current plan. Our legal counsel is drafting a letter.
- Board: Would we be in first or second position? Staff: We would be in first.

With no further questions from the Board, the resolution was moved to approve by Director Hawkinson and seconded by Director Winship. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2021-006** was presented for approval to authorize a loan assumption on a CDBG loan under the housing rehabilitation loan program. The CDC Board commenced discussion and questions asked included:

- Board: Are there income limits on any of these loans? Staff: The actual applicant does not work and has no income. She has son, friend, and boyfriend that pay rent. They are just under the 80% AMI.
- Board: If we don't approve it, where does that leave us? Staff: She would have to pay the loan off or we would foreclose. She doesn't have the funds to pay the CDC loan and thus would leave her and family homeless.
- Board: What is the total amount of both loans? Staff: Both loans total \$22,492.

With no further questions from the Board, the resolution was moved to approve by Director Velkers and seconded by Director Bell-Beals. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2021-007 -- TABLED**

**Resolution H-2021-008** was presented for approval to write off a HOME loan under the home rehabilitation loan program. With no questions from the Board, the resolution was moved to approve by Director Bell-Beals and seconded by Director Hawkinson. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2021-009 VADIS** was presented for approval to extend the loan conditions and approval dates for the VADIS Affordable Housing NOFA issued by Department of

Human Services in June of 2019. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Are there any constraints on the funding source as to putting the money into this project? Staff: No, not at this time. There is no down-side giving a little extra time.

With no further questions from the Board, the resolution was moved to approve by Director Velkers and seconded by Director Johnson. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2021-010 Foundation For The Challenged (FFC)** was presented for approval to extend the loan conditions and approval dates for the FFC Affordable Housing NOFA issued by Department of Human Services in July of 2020. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Are there any implications as to when these funds need to be committed? Staff: All the HOME Program timelines have been suspended at this time. No regulatory issues at this point. The down-side is the money wouldn't be available for our next NOFA if we pulled the money.

With no further questions from the Board, the resolution was moved to approve by Director Hawkinson and seconded by Director Bell-Beals. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2021-011 Mercy Housing** was presented for approval for payment deferral and loan extension request for the HOME Affordable Housing loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Have they bundled and re-syndicated yet? Staff: not yet.
- Board: Where do they receive the line of credit? Staff: The line of credit is an internal source of funds that is not repayable. They are a National Non-Profit organization. They were unable to utilize the CARES Act funds.
- Board: Do we have a financial statement? Staff: Yes, it will be emailed to Board as requested.
- Board: Is the re-syndication another round of tax credits? Staff: Yes. It is common when compliance period ends and the capital needs become apparent.

With no further questions from the Board, the resolution was moved to approve by Director Miller and seconded by Director Johnson. Vote was unanimous, motion carried, and resolution was adopted.

#### **GENERAL CDC BUSINESS:**

Staff will present the December 2020 financials and vouchers at March's Board Meeting.

#### **PROJECT UPDATES:**

**KWA:** The CDC has awarded money and they did not receive Housing Trust Fund dollars, so they will be moving forward with an application to HUD for a 202 Capital Grant and operating assistance. CDC staff may bring this back to board, considering we have a large number of dollars.

**YWCA:** The project in the Stadium District and is being leased and opening in weeks. They do have a little bit of work to do. This will serve 50 homeless families with children – primarily domestic violence.

**Financial Follow Up:** Rents- The CDC is not being charged rent through June 30, 2021. There was a rent charge in August. That was a journal entry adjustment from a previous month that wasn't paid. The storage facility rent is still being paid where we store paid off loans.

**TCRA:** This account was reconciled, and we are off about \$12K. This will be corrected and closed out with a zero balance.

Board: Questioned a few charges. Staff clarified that it was related to a tax payment, a manual rent journal entry, and duplicate entry that will be rectified in the November and December presentations.

**BANKING:** Director Miller discussed moving forward with request for bid due to charges being applied and unresponsiveness from the bank. This will provide more accountability. This request will be sent out to several banks. Directed Miller recommended drafting a letter to Columbia Bank, citing issues to see if they make corrections.

Board Appointments:

In 2021, two members of the Board will be terming out.

- Ray Velkers will finish his 2<sup>nd</sup> term September 1<sup>st</sup>, 2021 – Ray has a recommendation and appears to be a great replacement. (Although we will miss Ray!)
- Gar Hansen will finish his 1<sup>st</sup> term June 20<sup>th</sup>, 2021 – Still looking for someone in the construction business. Suggestions are welcomed!

**FUTURE ZOOM MEETINGS:** Board suggested to continue with Zoom meetings in the future. Staff noted that it was up to the State directive on what the Open Public Meetings Act will allow.

The Board circled back and questioned notifications being mailed to CDC's old address. The mail going to 1305 is being forwarded to our Soundview office. Soundview is being occupied and receiving mail. However, there are concerns with delayed and/or missing items.

**PUBLIC COMMENT:**

- No public comments

**ADJOURN**

There being no further business, the regular meeting was a motioned to adjourn by Director Hawkinson and seconded by Director Bell-Beals. The next meeting being Tuesday, March 16<sup>th</sup>, 2021. The meeting was adjourned at 9:24 am.

Certified by:

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Board Chair

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Date

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Secretary

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Date

Prepared by:

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Robyn Lee