

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 April 20, 2021

A regular meeting of the Community Development Corporation will be held **TUESDAY, April 20, 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: **April 20, 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**

April 20, 2021

Call to Order -

Review and approve March 16, 2021 CDC Board meeting minutes:

CDC Resolutions:

- CDC-2021-001 Owner Rehabilitation Loan Limit Increase
- CDC-2021-002 WSHFC – Downpayment Assistance Contract

Housing Resolutions:

- H-2021-18 Applicant A
- H-2021-19 Applicant B

Other Business:

- January 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**

March 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 Director Winship, Chair, at 8:02 a.m.

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

Absent: Director Denbrook

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

Guests: Chris Piotrowski

UNFINISHED BUSINESS

Director Winship, Chair, requested CDC Board Members review the minutes of the February 16th, 2021, meeting. With no questions, Director Hawkinson moved to approve the minutes, and the motion was seconded by Director Velkers. The vote was unanimous, and the minutes were adopted.

Staff introduced guest, Chris Piotrowski. Chris is interested in joining the CDC Board as a and replacement for Ray Velkers. Chris is a broker at First Western Properties, and have been in commercial real estate industry for about 5 years. His educational background: Chris is a Gig Harbor High School Alum, WSU grad w/degree in finance & minor in criminal justice and he spent time in Army Nat'l Guard. Did some commercial real estate and then took time off to do some health and wellness. He is now back in the commercial real estate business. The Board welcomed Chris.

NEW BUSINESS

CDC Housing Resolutions:

Resolution H-2021-012 Borrower A 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 insurance still current? Staff: Yes, the CDC pays the insurance premium. 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-2021-013 Applicant A was presented for approval for a \$50,000 HOME loan under the home rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: What kind of loan did she use when she bought it 4 years ago? Staff: It was an FHA loan.
- Guest: What does a deferred payment entail? Staff: 20-year loan @ 1% with no monthly payment. The loan would be due once it matures or at any time the home becomes unoccupied or in default.
- Board: This will put her at retirement age at maturity? Staff: Typically, at the end of 20 years and the loan cannot be paid, we will refinance at 0% for another 20 years.

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

Resolution H-2021-014 - Borrower B TABLED

Resolution H-2021-015 Borrower C was presented for approval for subordination on a HOME loan under the housing rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Is some of the cash out to pay off credit cards? Staff: Yes, for debt ratio reasons, two credit cards are being paid.
- Board: Will there be any cashback in borrower's pocket? Staff: No, he is trying to keep this at a minimum.

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

Resolution H-2021-016 Applicant B was presented for approval for a \$60,000 CDBG loan under the home rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Assuming that is not a huge judgement, why wouldn't we pay the debt off and remain in second position? Staff: The CDC does not pay off debt, not an allowable activity and the borrowers are contesting the judgement.
- Board: Is it against the subject on the title of the property? Staff: No, the judgement is against the dad that is on title.
- Board: Believes a welder would make \$30K-\$40K when obtaining a job.
- Board: How much longer does she have in school? Staff: She graduates in August, 5 months.

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

Resolution H-2021-017 Applicant B was presented for approval for a \$60,000 CDBG loan under the home rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Is she permanently disabled? Staff: Yes.
- Board: Has staff been out to visit property? Staff: Yes, staff noted that if work is not done, the home would become uninhabitable.
- Board: Staff is confident this will be a serviceable house for another 20-years? Staff: Yes.
- Board: Is CDBG loan a revolving loan fund? Staff: Yes, it is. We do capitalize it every year. The payments are recirculated to fund additional CDC projects.

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.

GENERAL CDC BUSINESS:

Staff presented the December 2020 financials and vouchers. The CDC Board commenced discussion and questions asked included:

- Board: Is a lot of the County revenues from property tax? Staff: Yes, majority of revenue is property tax. The City's revenue is primarily sales tax. The projection of property tax loss did not come to fruition. The County has fared well.

With no further questions from the Board, Director Hawkinson moved to approve the December 2020 Financials, Amended November, and December Vouchers, and this was seconded by Director Velkers. The vote was unanimous, motion carried, and adopted.

Late payment report was presented.

PROJECT UPDATES:

Board Appointments:

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

- Gar Hansen will finish his 1st term June 20th, 2021 – Still looking for someone in the construction/commercial contractors. Suggestions are welcomed!
- Ray Velkers will finish his 2nd term September 1st, 2021 – Chris has expressed interest to replace Ray.

American Rescue Plan Funding/Potential CDC Impact: As a result, the County will be receiving quite a bit and our department will receive a considerable amount. There will be a special HOME allocation of \$5 million in which the CDC may be asked to administer. More information to come.

FUTURE BUSINESS:

County Budget 2022-2023 impact to the CDC: The CDC Board will be updated as it is rolled out.

Affordable Housing NOFA – May 2021: We are working on the NOFA now. Once a year NOFA is published, the projects that apply will be presented to the Board. These are larger affordable housing projects by non-profit developers.

PUBLIC COMMENT:

- No public comments

ADJOURN

There being no further business, the regular meeting was a motioned to adjourn by Director Johnson and seconded by Director Hawkinson. The next meeting being Tuesday, April 20th, 2021. The meeting was adjourned at 9:17 am.

Certified by:

Board Chair

Date

Secretary

Date

Prepared by:

Robyn Lee