

## Board Meeting Notice

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

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

### **CDC BOARD MEETING FOR September 21, 2021**

A regular meeting of the Community Development Corporation will be held **TUESDAY, September 21, 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.

Join Zoom Meeting  
<https://piercecountywa.zoom.us/j/97185639023>

Dial by your location  
(253) 215-8782 US (Tacoma)  
(877) 853-5247 US Toll-free  
Meeting ID: 971 8563 9023

**COMMUNITY DEVELOPMENT CORPORATION  
MEETING AGENDA  
September 21, 2021**

**Call to Order -**

**Review and approve August 17, 2021 CDC Board meeting minutes:**

**Housing Resolutions:**

- H-2021-42                LIHI
- H-2021-43                Habitat for Humanity
- H-2021-44                Borrower A
- H-2021-45                Borrower B

**Other Business:**

- June Financials / Vouchers
- Late Payment Reports
- Open Public Records Training

**Staff Updates:**

- Board Appointments - Ongoing
- Banking RFP – September
- State Audit

**Future Business:**

- Portfolio Analysis – October
- County Budget 2022-23 impact to the CDC – November
- Credit Policy (Updates to Owner Rehab) – Fall 2021

**Public Comment Period:**

**Adjourn**

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

August 17, 2021  
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/97185639023>

The meeting was called to order by Director Winship, Chair, at 8:03 a.m.

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

Absent: None

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

Guests: Dietrich Schmitz & Jamie Firth

**UNFINISHED BUSINESS**

Director Winship, Chair, requested CDC Board Members review the minutes of the July 20<sup>th</sup>, 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.

Introductions were made for guests Jamie Firth and Dietrich Schmitz.

**NEW BUSINESS**

**CDC Resolutions:**

**Resolution CDC-2021-004** was presented for approval to extend the sub-recipient contract with Washington State Housing Finance Commission (WSHFC) for the administration a HOPE funded downpayment assistance program for an additional year through June 30, 2022, with updated terms outlined. The CDC Board commenced discussion and questions asked included:

- Board: What WA State Housing Finance program is this related to? Staff: This program is specific to Pierce County, outside Tacoma/Lakewood limits.
- Board: What is the repayment? Staff: Deferred 30-year mortgage.
- Board: How do you market this? Staff: This is marketed through the PC Human Services website. Schmitz (guest): On the downpayment resource website for loan officers/borrowers to search for downpayment assistance.
- Board: Is this an aggressive goal? Can this be downgraded to \$8,000 – this seems more feasible? Staff: This goal is lofty. Schmitz still needs the \$10,000 to \$15,000 to be approved by the Commission, it is not likely that it will go over \$15,000.

With no further questions from the Board, the resolution was moved to approve by Director Hawkinson and seconded by Director Miller. Vote was unanimous, motion carried, and resolution was adopted with the recommendation to increase the CDC contribution from \$30k to \$40k and the goal changed from 10 DPA loans by June 30, 2022 to 8 DPA loans.

### **CDC Housing Resolutions:**

**Resolution H-2021-036 (Applicant A)** was presented for approval for a loan approval modification under the manufactured home replacement loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Is the mobile home in poor condition? And is it being replaced? Staff: The mobile is in fair condition. In terms of repair, we look at replacement given the age of the mobile home.

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, no abstentions, and resolution was adopted with no further discussion.

**Resolution H-2021-037 (Applicant B)** was presented for approval for a \$80,000 CDBG loan under the homeowner rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: This job will allow her to make payments? Staff: Applicant is trying to figure out how she can work while she goes to school. She already pays property tax.
- Board: How soon after approval can a contractor be out there to deal with sewer? Staff: We will have bids out right away due to the failed septic.
- Board: How much contingency have you put in this? Staff: This is a fairly new application, Rehab Specialist estimates total work to be \$75,656, anticipating minor home repair can help with some expenses.
- Board: Concern the mold is bigger than is anticipated. Staff: We cannot get access at this time. Board: Contingency made be 10-11%.

With no further questions from the Board, the resolution was moved to approve by Director Bell-Beals *with a 12-month revisit upon completion to consider adding payment*, and seconded by Director Johnson. Vote was unanimous, motion carried, no abstentions, and resolution was adopted with no further discussion.

**Resolution H-2021-038 (Borrower A)** was presented for approval to foreclose and pay property taxes on a CDBG Loan under the housing rehabilitation loan programs. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Are there other liens on the title? Staff: We did not do current title report, but that is what the latest one shows.
- Board: Will she have ability to avoid foreclosure if she can pay delinquent taxes? Staff: Yes, she needs to pay the last half of 2018 by April 13, the other half will still be delinquent.

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

**Resolution H-2021-039 (Applicant C)** was presented for approval for a \$80,000 CDBG loan under the homeowner rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Is the \$4,000 income the 69-year old? Staff: Yes, she is a caregiver.
- Board: Is the \$8,000 contingency enough? Concern project is underfunded. Staff: If needed, we can do a 10% increase.

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, no abstentions, and resolution was adopted with no further discussion.

**Resolution H-2021-040 (Applicant D)** was presented for approval for a \$80,000 CDBG loan under the homeowner rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: What is the threshold on including monthly payments on DTI? Staff: This is based on HUD's 30% standard. HUD considers housing cost burden if rent/mortgage payment is more than 30%. The PITI for this applicant is 37.4%, which is why the monthly payment is deferred.

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

**Resolution H-2021-041 (Borrower B)** was presented for approval to foreclose on a HOME Loan under the housing rehabilitation loan programs. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: Is this a voluntary foreclosure? Staff: Yes.
- Board: Who is entitled to this property? Staff: They are not doing a probate, that is why we are foreclosing. She is not going to get anything for it and does not want to pay probate. She wishes to move forward with foreclosure.
- Board: Is there a will? Attorneys may need to open probate. Staff: No. If there is no party, it will go to the heir of the deceased – daughter and son (live together).
- Board: Is the home insured? Staff: No.

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, no abstentions, and resolution was adopted with no further discussion.

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

##### **Financials/Vouchers:**

Staff presented the May 2021 financials and vouchers. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: What triggered B&O tax? Staff: This is a quarterly tax paid every 3 months to the state based on CDC's interest income.

With no further questions from the Board, Director Denbrook moved to approve the May 2021 financials and vouchers, this was seconded by Director Velkers. The vote was unanimous, motion carried, no abstentions and the May financials and vouchers were accepted.

**Late Payment Reporting:**

No late payment available to report for August, will have at the next meeting.

**Other Business:**

Open Public Records and Open Public Meetings Training requirements:

Received updated guidance, members of governing board must take Public Records Act training and Open Public Meeting Act training. Will schedule to play the Public Records Act training at September meeting.

**STAFF UPDATES:**

**Board Appointments:**

- Ongoing – have two prospective board members interested.

**Banking RFP:**

- Reporting in September – no updates, will do in September.

**State Audit:**

- Will happen at some time, but have not heard from auditor yet.

**FUTURE BUSINESS:**

**Affordable Housing NOFA – September 2021:**

- Will have applications at September meeting to review and approve.

**Portfolio Analysis:**

- Will present at October's meeting.

**County Budget 2022-2023 impact to the CDC - November:**

- Will present on CDC budget in November and take full budget for board approval.

**Credit Policy (updates to Owner Rehab):**

- On agenda, Shari has volunteered to assist.

**Acknowledgement:**

- Director Velkers last meeting is today; his term expired September 1, 2021.  
Thank you for your service!

**FOLLOW UPS:**

- None noted.

**PUBLIC COMMENT:**

- No public comments.

**ADJOURN**

There being no further business, the regular meeting was a motioned to adjourn by Director Velkers and seconded by Director Hawkinson. The next meeting being Tuesday, September 21<sup>st</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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Vy Yun