

## Board Meeting Notice

TO: CDC Board Members

Gary Hawkinson, **Chair**  
Shari Bell-Beals, **Vice Chair**  
Mike Miller, **Secretary**  
Kyle Denbrook, **Treasurer**  
Hollie Johnson  
Jamie Macumber/Firth  
Tom Young  
Joe Beck

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

### **CDC BOARD MEETING FOR September 20, 2022**

A regular meeting of the Community Development Corporation will be held **TUESDAY, September 20, 2022, at 8:00 A.M.**

The CDC Board Meeting will be conducted at 3602 Pacific Avenue, #200, Tacoma, WA 98418 in the Brekke Conference Room. There will be a link to join via zoom 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 20, 2022**

**Call to Order -**

**Review and approve July 19, 2022, CDC Board meeting minutes:**

**Review of affordable housing funding process and Executive Summary of funding recommendations.**

**Housing Resolutions:**

- H-2022-026 Tac/PC Habitat for Humanity (PCHA Acquisitions)
- H-2022-027 Tac/PC Habitat for Humanity (Proctor Place)
- H-2022-028 Applicant A
- H-2022-029 Applicant B
- H-2022-030 Borrower A
- H-2022-031 Applicant C

**Other Business:**

- Review and approve July Financials - Vouchers
- Review of Late Payment Report
- Review of CDC Legal Matters/Foreclosure Update Report

**Staff Report and Updates:**

- Monitoring and Audits

**Future Business:**

- CDC Board Retreat – October 2022
- CDC Budget Presentation – November 2022
- CDC Budget – December 2022

**Public Comment Period:**

**Adjourn**

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

August 16<sup>th</sup>, 2022  
8:00 am

A meeting of the Board of Directors of the Community Development Corporation was held at Human Services Soundview Building at 3602 Pacific Avenue #200, Tacoma, WA 98418 - Brekke Conference and 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 Hawkinson, Chair, at 8:01 a.m.

Those present were Board Directors:

Gary Hawkinson-**Chair**, Shari Bell-Beals-**Vice Chair**, Director Mike Miller-**Secretary**, Hollie Johnson, Jamie Macumber-Firth, Tom Young, Kyle Denbrook-**Treasurer**, & Joe Beck

Absent:

Staff in attendance: Bryan Schmid, Shannon Shuman, Arlene Whittington, Lucy Newman, & Robyn Lee

Guests: None

**UNFINISHED BUSINESS**

Director Hawkinson, Chair, requested CDC Board Members review the minutes of the July 19<sup>th</sup>, 2022, meeting. With no questions, Director Young moved to approve the minutes, and the motion was seconded by Director Bell-Beals. The vote was unanimous, and the minutes were adopted.

**NEW BUSINESS**

**CDC Housing Resolutions:**

**Resolution H-2022-022 (Applicant A)** was presented for approval for a loan approval on a CDBG loan under the housing rehabilitation loan program. There were no questions from the Board, the resolution was moved to approve by Director Bell-Beals and seconded by Director Macumber-Firth. Vote was unanimous, motion carried, no abstentions, and resolution was adopted.

**Resolution H-2022-023 (Applicant B)** was presented for approval for a loan increase on a CDBG loan under the housing rehabilitation loan program. There were no questions from the Board, the resolution was moved to approve by Director Young and seconded by Director Bell-Beals. Vote was unanimous, motion carried, no abstentions, and resolution was adopted.

**Resolution H-2022-024 (Applicant C)** was presented for approval for a loan approval on a CDBG loan under the housing rehabilitation loan program. The

CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: The CDC will have a bid so we can determine that we have enough funds to make it happen? Staff: Correct.

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

**Resolution H-2022-025 (Applicant D)** was presented for approval for a loan approval on a CDBG loan under the housing rehabilitation loan program. The CDC Board commenced discussion. Questions asked, and staff responses included:

- Board: How much did they pay for it a year and half ago? Staff: It was quit claimed to the borrower for \$218K.
- Board: How do they owe \$238K if sold for \$218K. Staff: It appears her parents may have quit-claimed.
- Board: Lender would not lend \$240K if it appraised at \$218K.
- Staff: The note was for \$239K.
- Board: They quit claimed and new owners refinanced. Staff: Yes, it is possible. There was an existing mortgage.
- Board: Why aren't they just getting a loan on their own? Staff: They would be looking at a loan of \$320K, which we would have to run the numbers to see if it could be done.
- Board: It could be a cash out refi. Staff: Yes, it could. It would be questionable if the borrower could qualify.

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

## **GENERAL CDC BUSINESS:**

### **Financials/Vouchers:**

Staff presented the June 2022 financials and vouchers. Staff noted two HOME loans with KWA and LIHI last year that have not been closed yet and are not committed in the HUD IDIS system. The financing should be closing and the end of the year and next Spring at which time the projects would be setup in IDIS. . With no questions from the Board, Director Denbrook moved to approve the June 2022 financials and vouchers, this was seconded by Director Miller. The vote was unanimous, motion carried, no abstentions and the June 2022 financials and vouchers were accepted.

Staff then presented a SRLG update with reconciliation, noting the third SRLG funding round is a revolving loan fund, which does not have a deficiency. Board questioned: So we are booking the income as a liability? Staff, correct.

## **Late Payment and Defaulted Loan Reporting:**

The reports for late payments and defaulted loans were presented. The CDC Board felt the late payment report looked good.

The defaulted loans report, in which the CDC is commencing foreclosure, was reviewed.

No action needed to be taken.

## **STAFF UPDATES:**

### **Monitoring and Audits:**

HUD was here August 1<sup>st</sup> - 5<sup>th</sup> to monitor the HOME program. Monitoring went smoothly. Exit conference resulted an interpretation which is a minor issue, Bottom line, we will find out what was a finding, concern, or comment. We may have just a few minor items. They had great comments on our policies and running our programs. This monitoring report will be presented in October.

CDC has received word from Washington State for the State audit. Just begun, this is being done remotely. A single audit of CDBG home rehab revolving loan fund. The entrance conference is August 30<sup>th</sup>. This invite has been sent to everyone. They are reviewing financials and the CDBG RLF.

The County is recipient of our HOME funds and the CDC (subrecipient) is having an internal monitoring from the County . This will be presented once published.

Monitoring: Basically, a funder coming out to review programs and going through checklists.

Audit: A formal financial audit of program that goes to the financial clearing house.

Board: Entrance meeting, what does that entail? Staff: The auditor reviewing why they are here, what they are looking at, what it will cost, talk about the single audit that the CDC receives. Anything over \$750K in federal funds will have regular audits.

Board: Is it interactive with Board Directors? Staff: They do interview the Board Chair as a part of their risk assessment. The exit conference will be in September and will review, any concerns, findings, comments. You may ask questions.

Board: Requested that the auditor is aware of the SRLG situation so that it does not result in a finding.

**FUTURE BUSINESS:**

- Affordable Housing Applications – September 2022
- Board Retreat –October 2022
  - Operations of the CDC
  - Charter Revisions
  - Bylaws
  - Economic Development going forward
  - Affordable Housing
- CDC Budget Presentation - November 2022
- CDC Budget – December 2022

**PUBLIC COMMENT:**

- No public comments.

**ADJOURN**

There being no further business, the regular meeting was a motioned to adjourn by Director Miller seconded by Director Bell-Beals. The next meeting being Tuesday, September 20<sup>th</sup>, 2022. The meeting was adjourned at 8:59 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