

**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

**CDC BOARD MEETING FOR FEBRUARY 2020**

A Regular Board meeting of the Community Development Corporation will be held **TUESDAY, February 18th, 2020 at 8:00 A.M.**

This meeting will be held at **PIERCE COUNTY HUMAN SERVICES BUILDING,  
1305 Tacoma Avenue, #104, TACOMA, WA 98402  
(Conference Room C).**

Board packets will be distributed at the meeting.

**COMMUNITY DEVELOPMENT CORPORATION  
MEETING AGENDA**

**February 18, 2020**

**Call to Order -**

**Review and approve January 21, 2020 CDC Board meeting minutes:**

**Housing Resolutions:**

- H-2020-001 Borrower A
- H-2020-002 Applicant A
- H-2020-003 Applicant B

**General CDC Business:**

- December 2019 Financials and Vouchers
- Late Payment Report

**Staff Updates:**

- HUD HOME Monitoring Rescheduled to March 23-27

**Future Business:**

- TBD

**Public Comment Period:**

**Adjourn**

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

January 21, 2020  
8:00 a.m.

The regular meeting of the Board of Directors of the Community Development Corporation was held at the Pierce County Human Services Soundview Building, 3602 Pacific Avenue, 2<sup>nd</sup> Floor, Soundview Conference Room 1.

The meeting was called to order by Director Winship, Chair, at 8:06 a.m.

Those present were:

Directors Velkers, Miller, Johnson, Hawkinson, Winship, and Bell-Beals

Absent:

Directors Denbrook and Hansen

Staff in attendance: Bryan Schmid, Lucy Newman, and Robyn Lee

Guests: Kim Wilson, Brown and Brown Insurance

**UNFINISHED BUSINESS**

Director Winship, Chair, requested CDC Board Members review the minutes of the December 17<sup>th</sup>, 2019, 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 Presentation on CDC Liability Insurance:**

Kim Wilson, Brown and Brown Insurance Representative, reviewed liability coverage for the CDC. He discussed the reasoning for the premium tripling and provided their due diligent steps in shopping around to various carriers to seek out the best premium. The Board questioned: What are the limits? Two million aggregate for the year, which includes wrongful acts. Including employment practices, which is only a \$400 difference; however, this is recommended to keep even though the CDC does not have direct employees. Do you think any of the increase is related to all the claims nationwide? To some low level, it does have an impact. The reinsurers are being hit hard, creating a ripple effect in the industry. The number of claims is becoming more extreme, for instance a \$1 million-dollar claim could now be \$14 million. Kim shared that he will continue to work with staff to seek out relief of premiums. With the renewal in January, the Board expressed concern that this may affect the CDC budget. Staff noted that the County would require the minimum aggregate be \$2 million and shared other coverages required. Additionally, Kim discussed the economic concerns for companies today and their liabilities. The Board asked if personal umbrella policy come into play? Kim replied: No, that is not wrongful acts, it would be more in line of physical or bodily injury.

**NEW BUSINESS**

No Resolutions to present this month.

## **GENERAL CDC BUSINESS:**

Staff presented the October and November 2019 Financials and Vouchers with the Board. The Board had some voucher questions on payments that were clarified. Additionally, the Board questioned: What about our CDBG RLF grant? Is lead-based paint expense required? Any similar treatment for asbestos? Does HUD set standard for remediation? Didn't we do an RFP for a lead contractor? Staff shared the CDBG contract has been signed and executed. Staff discussed the time lapse between the various entities: HUD, County, etc. Yes, the State/HUD has lead requirements on homes built prior to 1978. We must perform a risk assessment from a licensed lead paint risk assessor. If there is a lead hazard found, we are required to stabilize and perform abatement. No, HUD does not currently have measures to treat asbestos. However, contractors must take measures to treat. Yes, a certified risk assessor will determine steps needed to resolve lead remediation. Yes, this is due for renewal in a few months. With no further questions from the Board, Director Miller moved to approve the October and November 2019 financial statements and payment vouchers, and this was seconded by Director Velkers. The vote was unanimous, motion carried, and adopted.

- November 2019 Late payment report was reviewed.
- Officer elections – CDC staff recognized the current 2019 CDC Board Officers:
  - Director Winship, Chair
  - Director Bell-Beals, Vice Chair
  - Director Hawkinson, Secretary
  - Director Miller, Treasurer – Treasurer (1<sup>st</sup> term to renew June 30, 2020)

With the recognition of current standing Board Officers, Director Velkers made a motion to retain elected Officers for 2020, Director Johnson seconded the motion. The vote was unanimous, and motion carried.

## **STAFF UPDATES:**

- HUD HOME Monitoring February 10-14, 2020. Staff discussed the targeted rental properties and the process of the audit. The emphasis of the last HUD monitoring, in 2017, was the homeowner rehab projects. The Board asked: How did we do on the last audit? Staff noted: There were no findings.
- Staff noted the Economic Development business loan officer position will not be replaced and discussion for future use of funds will be held at a later date.

## **FUTURE BUSINESS:**

- None

## **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 Velkers. The next meeting being Tuesday, February 18, 2020. The meeting was adjourned at 9:00 am.

Certified by:

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

Prepared by:

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Robyn Lee