

**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 August 18, 2020

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

The August 2020 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: **August 18, 2020 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**

August 18, 2020

Call to Order -

Review and approve July 21, 2020 CDC Board meeting minutes:

Housing Resolutions:

- H-2020-011 Borrower A
- H-2020-012 Applicant A
- H-2020-013 Applicant B

General CDC Business:

- June 2020 Financials and Vouchers
- Loan Servicing and Late Payment Report

Staff Updates:

- Human Services Department response to COVID / Staffing – Updates
- CDC Audit Updates

Future Business:

- Affordable Housing NOFA

Public Comment Period:

Adjourn

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

July 21, 2020
8:00 a.m.

The regular 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 8:05 a.m.

Those present were:

Directors Velkers, Winship, Johnson, Hawkinson, Hansen, Denbrook, and Bell-Beals

Absent: None

Guests: Mike Miller (Pending confirmation of second term)

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

UNFINISHED BUSINESS

Director Winship, Chair, requested CDC Board Members review the minutes of the June 16th, 2020, 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.

NEW BUSINESS

CDC Resolutions:

CDC-2020-004 was presented for approval to adopt an amendment to the Homeowner Rehabilitation loan program credit policy related to American Disabilities Act (ADA) loans. The CDC Board commenced discussion and questions asked included: If the loan is deferred, what happens at maturity? What happens if the property is sold? Are these loans secured by a DOT? Staff responded: The deferred loan would be repayable at maturity or the borrower has the option to extend the loan another 20-years, if the borrower is eligible. If the property is sold, the CDC would receive a payoff. The CDC loans are secured by a Deed of Trust. With no further questions from the Board, Director Velkers moved to approve this resolution and was seconded by Director Hawkinson. Vote was unanimous, motion carried, and resolution was adopted.

CDC Housing Resolutions:

Resolution H-2020-009 was presented for approval for a \$45,000 loan from the CDC under the CDBG program for housing rehabilitation. The CDC Board commenced discussion and questions asked included: What kind of business does she have? What is your LTV based upon? What happens if the business doesn't bounce back what is her plan? How much is the roof? Is the

floor causing a trip hazard? Do the other line items in the scope of work cause any mobility issue? Has any rehab specialist been out there? Her current husband has applied for disability and doesn't work? In the debt to income ratio, does it include his SS income? How does the Mortgage Assistance work? What is the success rate with being in 2nd position, do we typically get made whole? Staff responded: She is a massage therapist. LTV is based upon the tax assessment. With a \$45K loan, LTV is 59%. She is hopeful it will bounce back. She has applied for CARES act assistance and has significant equity. Staff noted other income with child support and hopeful with social security. Allowance for the roof is roughly \$20K. Unsure if the current flooring, or any if any of the other line items in the scope of work, is creating mobility and/or tripping. Yes, our rehab specialist has been to the home and did not indicate mobility or tripping hazards. Correct, her husband is waiting for his disability approval. No, it is unsure being he isn't receiving yet. She has also applied for the mortgage assistance through CARES. If she is eligible for mortgage assistance, the assistance would cover April-July. Yes and the equity is significant. With no further questions from the Board, the resolution was moved to approve by Director Hawkinson and seconded by Director Johnson. Vote was unanimous, motion carried, and resolution was adopted.

Resolution H-2020-010 - was presented for approval for a loan increase to \$65,000 with the CDBG program for housing rehabilitation. The CDC Board commenced discussion and questions asked included: What's the debt to income ratio? The housing ratio is 31% and the debt to income ratio is 45%. This is a deferred loan. 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 May 2020 Financials and Vouchers with the Board and reviewed highlights. Staff and the Board discussed the current housing market and how COVID is affecting it versus the business market. There is some amount of uncertainty with COVID and the economic impacts down the road. The Board questioned the borrower's clearing is less than last year, is this due to less projects? Staff noted the speculation is that we may have had larger projects, such as Habitat for Humanity's Tyler Court that have closed out and no longer pending. Tyler Court is wrapping up and therefore the clearing account is less. However, we have affordable housing NOFA's that should increase the clearing account again. Staff does not believe that it is related to less projects. Board expressed concern with the increase in fees to lock box service and proposed a recommendation to shop around. With no further questions from the Board, Director Bell-Beals moved to approve the May 2020 financial statements, this was seconded by Director Johnson. The vote was unanimous, motion carried, and adopted.

Director Velkers moved to approve the May 2020 payment vouchers, and this was seconded by Director Hanson. The vote was unanimous, motion carried, and adopted.

- June late payment report was reviewed.

STAFF UPDATES:

- Human Services Department response to COVID / staffing updates. No return to office date yet.
- Human Services has an application portal for rental and mortgage assistance, related to COVID. We have two vendors Habitat for Humanity and PC2 Homeownership w/Disabilities. The County does have programs out there to assist renters and homeowners. Staff discussed the current economic status with rents, mortgages, eviction moratoriums, COVID losses, etc.
- CDC Audit began today. Entrance conference has not been scheduled yet; however, majority of the audit may be virtual. Although, there will be office visits to review files. There will be weekly meeting will occur.

FUTURE BUSINESS:

- Affordable Housing and preservation projects - NOFA has been released. Applications due Aug 7th, 2020. These resolutions will be presented in October.

PUBLIC COMMENT:

- No public comments

ADJOURN:

There being no further business, the regular meeting was a motioned to adjourn by Director Bell-Beals and seconded by Director Velkers. The next meeting being Tuesday, August 18th, 2020. The meeting was adjourned at 9:15 a.m.

Certified by:

Board Chair

Date

Secretary

Date

Prepared by:

Robyn Lee