

**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  
Colleen Walker  
Ray Velkers  
Gar Hansen

FROM: Bryan Schmid

**CDC BOARD MEETING FOR FEBRUARY 2019**

A Regular Board meeting of the Community Development Corporation will be held **TUESDAY, February 19<sup>th</sup>, 2019 at 8:00 A.M.**

This meeting will be held at **PIERCE COUNTY HUMAN SERVICES BUILDING, 3602 PACIFIC AVENUE, TACOMA, WA 98418 (Soundview Conference Room 1, 2<sup>nd</sup> floor).**

Board packets will be distributed at the meeting.

**COMMUNITY DEVELOPMENT CORPORATION  
MEETING AGENDA**

**February 19, 2019**

**Call to Order -**

**Review and approve January 19, 2019 CDC Board meeting minutes:**

**CDC Resolutions:**

- CDC-2019-002      Approval of amendment to credit policy

**Housing Resolutions:**

- H-2019-004      Borrower A
- H-2019-005      Applicant A
- H-2019-006      Applicant B
- H-2019-007      Applicant C
- H-2019-008      Borrower B
- H-2019-009      Applicant D
- H-2019-010      Homeownership Center of Tacoma

**General CDC Business:**

- December 2018 Financials and Vouchers
- January 2019 Late payment report
- Field Trip Date.

**Staff Updates:**

- New Staff

**Future Business:**

- Budget and Sustainability work Spring/Summer 2019

**Public Comment Period:**

**Adjourn**

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

January 15, 2019  
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 8:08 a.m.

Those present were:

Directors Winship, Winship, Walker, Miller, Hansen, Denbrook, and Bell-Beals

Absent: Director Hawkinson

Staff in attendance were:

Bryan Schmid, Shannon Shuman, Laura Charbonneau, Sheree Clark, Lucy Newman, Stacey Killmer, and Robyn Lee

Guests: None

**UNFINISHED BUSINESS**

Director Winship, Chair, requested CDC Board Members review the minutes of the December 17, 2018, meeting. With no questions, Director Velkers 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 Resolutions:**

**Resolution CDC-2019-001** presented to approve the updated Accounting Policy. The CDC Board commenced discussion and questions asked included: Is there a concern over one person having access, could the verbiage change to read other people? Is this Accounting Policy new? Did the prior policy include records retention and destruction? The Board requested any updates/changes to be redlined. Does this policy get updated on a regular basis? Board requested it be noted for updates. Staff responded: Currently there are two other staff who have access to Quickbooks. No, we have had accounting policies, but they have not been updated since 2013. The policy will be updated annually. It gets reviewed by the County and Auditor's during Federal and State auditing. With no further questions from the Board, Director Velkers moved to approve this resolution and was seconded by Director Miller. Vote was unanimous, motion carried, and resolution was adopted.

**CDC Housing Resolutions:**

**Resolution H-2019-001** was presented for approval for a write off on a HOME loan under the home rehabilitation loan program. With no questions from the Board, the resolution was

moved to approve by Director Miller and seconded by Director Denbrook. Vote was passed by majority, motion carried, and resolution was adopted.

**Resolution H-2019-002** was presented for approval for authorization to foreclose on a housing rehabilitation loan through the HOME and RAHD programs. The CDC Board commenced discussion and questions asked included: Do we know if the borrower is still residing there? Has there been a site visit? Does she know the value of her home? Can we do something more stringent? How much would she have to bring to the table to bring it current? How is she going to come up with that amount of money? At what point do you do a site visit? How old is she? Staff responded: Staff believes she is still residing in her home. Her mail is not being returned. Staff has not done a site visit. Unsure if she knows the value. She is just not communicating with staff. The default process is the last step before foreclosure and a trustee sale date is set. Typically, the borrower will respond before that. We did a notice of default in 2013, which triggered borrower to call. She is behind roughly \$6K. If she comes up with the escrow and proves stability in payments then we may be able to bring this back to the Board for a revisit on refinancing the loan. We have done welfare checks in the past, if there is reason for concern. She is 53. With no further questions from the Board, the resolution was moved to approve by Director Miller and seconded by Director Bell-Beals. Vote was unanimous, motion carried, and resolution was adopted.

**Resolution H-2019-003** was presented for a loan approval on a \$45,000 CDBG loan under the home rehabilitation loan program. The CDC Board commenced discussion and questions asked included: Fortunately, there is enough equity in the property. With it being so old, would there be more repairs later? Will she be living there while all the plumbing repair is going on? Staff responded: With her health, this is the best option. There may well be other repairs in the future. We did consider for a replacement; however, it is repairable. Due to borrower's health home replacement would be challenging. Yes, it will be a quicker process than being displaced. This borrower was originally on the waitlist as a mobile home replacement; however, due to health conditions, this wasn't an option for her. The CDC will be in first position and there is equity in the property. With no further questions from the Board, the resolution was moved to approve by Director Bell-Beals and seconded by Director Denbrook. Vote was passed by majority, motion carried, and resolution was adopted.

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

- Staff reviewed the November Financials and Vouchers with the Board. The CDC Board commenced discussion and questions asked included: What is the \$541K SRLG Liability? Staff: We pay back Public Works for loan payments received under the Septic Repair Loan/Grant (SRLG1 and SRLG2). The CDC is a fiscal agent and acts as a pass-thru agent. On the SRLG3, the CDC was requested to keep the program income for use on future septic repairs. Page 8, staff noted a correction on the date of the report. The title should read "For the period ending November 30, 2018". Board suggested, with respect to confidentiality, to use borrower's loan number or remove the memo column on the check register that is provided in Financials. Is the spend down time frame 2019? It is, based on our contract deadlines with HUD. The CHDO has a deadline in 2019 so those CHDO funds need to be committed. Staff is reaching out to agencies for a CHDO project. All of 2018 and younger should be committed by 2020. In accordance with HUD rules the HOME program income is receipted in the program year received. It is committed to specific projects and only drawn for that project. Are you experiencing any effect from the government shutdown? Not yet; however, there is no communication with HUD.

With no further questions from the Board, the November 2018 financial statements and vouchers were moved to approve by Director Miller and seconded by Director Denbrook. The vote was unanimous, motion carried, and adopted.

- December 2018 Late payment report was reviewed by staff.
- The credit policy discussion – Means testing for owner rehab was shared and staff will bring a resolution back to the Board next month for approval. How would this operate? If someone fell into this category, they would be denied. However, if they were denied by a bank with proven evidence, would be considered for a loan. Staff will revise policy based on conversations and bring next month.

**STAFF UPDATES:**

- There was a motion to add Mike Miller as a signer on both Pierce County CDC general and escrow bank accounts. This motion was moved to approve by Director Velkers and seconded by Director Denbrook. Vote was passed by majority, motion carried, and resolution was adopted.

**FUTURE BUSINESS:**

- Field Trip scheduled for March-April. Proposed dates will be emailed. I.E. Tallentire Projects, Mobile Home Project, and Multi-Family affordable housing project and possible Aerospace projects.
- Budget and Sustainability work March/April 2019. Staff shared on the new two-year budget plan and expectation.

**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 Denbrook. The next meeting being Tuesday, February 19th, 2019. The meeting was adjourned at 9:25 a.m.

Certified by:

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Board Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

Prepared by:

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Robyn Lee