



**Board of Directors Meeting Minutes
Wednesday, November 28, 2018**

Conference Room @ Ventura Investment Building,
1601 Carmen Ave, 2nd floor conference room, Camarillo, CA 93010

Action items: Bold & Italic

1. WELCOME & INTRODUCTIONS

The meeting was called to order at 12:03 with a quorum of directors present.

Board members present: Stephen Boggs, Jennie Buckingham, Dawn Dyer, Sal Gonzalez, Mary Ann Krause, Tracy McAulay, Sean Morreale, Lynn Oshita, Mark Pettit, Alex Russell, Cynthia Sabatini, Donna Sepulveda-Weber, Ralph Velarde

Board Members Absent: Nick Birck, Marni Brook, Greg Regier, David Moe,

Staff Present: Linda Braunschweiger

Guests Present: Stratis Perros, he will be taking Cynthia Sabatini's place on the Board in 2019 representing the City of Simi Valley.

Public Comment: Stratis introduced himself.

2. **CONSENT** – Minutes of the October 24, 2018 Board meeting was distributed and reviewed. Members noted a few corrections. Note under 3.D.1 that CDBG is a joint effort between the City and County. Add "rental" before 81-units. In 3.C.2 Land Trust – add "a study of" between "pursue" and "VCHTF". Note that Board member Greg Regier was present at the meeting. Sal ***moved to accept the minutes as amended***; Sean seconded. Motion carried with unanimous vote and Jennie and Alex abstaining.

3. GENERAL BUSINESS

- A. Announcements and Updates (Linda) – The Board was reminded that there will not be a Board meeting in December. Since the next meeting, Jan. 23rd, is also the annual meeting, staff and board will communicate via email regarding items for the meeting (year-end 2018, 2019 plans, board slate, and meeting particulars). There will be an Underwriting Committee meeting in Dec.; will email out the date.
- B. Financial Report (Marni) – To be consistent with audit and tax reporting, the operating portion of municipal grants will be categorized under "fundraising". There were no material changes in financial positions. VCHTF received a Pacific Western Bank \$5,000 grant today; this is in addition to event sponsorship and director dues. We also received earlier in the month a \$2,500 community dividends grant from Montecito Bank & Trust. Today we expect to receive \$100K in principal, plus all accumulated interest to date, from the sale of the first Habitat for Humanity Oxnard project home. Another payment will be forthcoming next week, and yet another by mid-December. We expect to receive at least \$300K in principal repayment plus interest by end of year. The remaining \$200K is expected to be repaid near the beginning of 2019. The Habitat Camarillo project is expected to make their first draw of \$250K next week. MaryAnn ***moved to accept the financial statements as of 10/31/18 as presented***. Mark seconded. Motion carried unanimously.
- C. CEO Report (Linda)
- 1) **City National Bank:** The Line of Credit appears to be close to approval and is currently being reviewed by CNB executive team. Our goal is to have this in place by year end. It will be structured as a LOC, not EQ2-



type loan, between \$500K and \$1M. This can be counted toward our Prop. 1 match. Although Prop. 1 is not expected to fund until late 2019 or early 2020, we will be able to count everything raised after the Nov. 2018 date of approval. Prop. 1 money will be subject to prevailing wage; we will keep these funds with restrictions in a separate pool from our current loan pool with “not restricted by prevailing wage” funds.

- 2) **Annual Meeting** (January 23, 2019) – The Board discussed the desired format of the upcoming annual meeting. Goals for the meeting included a) maintaining the attendance we’ve seen the last several years, b) provide a forum for stakeholder strategizing, c) kick off our \$10M Prop. 1 match campaign, d) celebrate our CDFI and 10-City accomplishments, e) get input regarding our loan products and services, and f) encourage key guests to serve on a committee. Suggestion was made to have workshop pods for each topic to promote discussion and feedback. **Each Board member should invite at least two key guests they feel would be a good addition on a committee.** Tentatively schedule the meeting for two hours in the late afternoon with appetizers served afterward. **Karen to check into reserving the Camarillo Library.** Tentative pods are: Raising the Prop. 1 match, Land Trust, and Loan Products. **Dawn, MaryAnn and Linda agreed to help plan the event. Karen to provide draft of the 2018 Annual Report in early January for review.**
- 3) **Annual Event** (mid/late May 2019) – The Board discussed format and topic ideas, including a) highlighting “faces of AH” in four areas of an interesting venue, with guests collecting cards for a poker hand at each location (written details were provided to CEO); and b) Capitalizing on an opportunity for cross jurisdictional cooperation by celebrating all 10 city participation in VCHTF. **Directors were asked to serve on the event committee and brainstorm an exciting venue.**
- D. **2019 Draft Budget** – Linda presented a proposed 2019 income and expense budget. VCHTF will reach out to all cities and the County, in addition to the current pledges by the cities of Simi Valley and Ventura. Projected grant income includes our 3rd attempt for CDFI TA grant at \$125K and the admin portion of the \$4.2M capital magnet fund grant. We expect to receive word about this very competitive grant in early 2019. The budget does not show the loan origination fees, interest, etc. that will result from increased loan volume due to the CMF grant. The Board discussed the probability of receiving, and thus showing, both CDFI grants. **It was decided to show only the total anticipated dollar figure of municipal and other grants, not the names of the potential grantors, reserving that detail information to notes.** The budget includes an anticipated three new loans with resulting revenues. Proposed is increased consultant fees for marketing/branding, land trust, fund development and CDFI applications, in lieu of adding additional staff. Linda and Karen left the room while the Directors discussed staff compensation. Board agreed to the proposed compensation package, retroactive to 1/1/19, subject to written performance reviews.

4. COMMITTEE REPORTS

- A. **Nominating** (Cynthia) – The committee went through written application, candidate interviews, and formal scoring process. The committee’s recommendation to fill the two open spots are:
 - John Fowler, CEO, Peoples’ Self Help Housing Corp.
 - Anthony Mireles, Manager, Construction Local 585

After discussion, Steve moved to **add these two new board members to the official slate of Directors.** Dawn seconded. Motion carried unanimously.



Proposed Slate of Officers 2019

Chair: Jennie Buckingham

Vice Chair: Alex Russell

Secretary: Nick Birck

Treasurer: Marni Brook

MaryAnn moved to **approve the 2019 slate of officers**. Cynthia seconded. Motion carried unanimously.

- B. Land Trust** (MaryAnn) – The board discussed options for structuring a Community Land Trust (CLT) under VCHTF. It will take time to set up a brand new 501c3 and there are a few potential properties ready to go into a CLT now. A 501c4 entity will not work for a CLT due to its tax deduction status. Keeping it as a program under VCHTF could be problematic; as a CDFI a majority of assets must be in lending. We could lose our CDFI status if the value of land in the Trust exceeds our lending assets. **Committee will research calculation method for land value.** Suggestion was made to incubate in-house with a few smaller parcels until a new 501c3 is formed. If land value approaches value of lending assets, then another 501c3 organization could be found to hold the property until a new 501c3 is set up. There was a consensus from the board to **move forward under this scenario. Committee members will meet with M.Fienup and T.Gallagher.** Legal decisions will need to be made for parameters of new 501c3 operation. **Linda to set up meeting/conference call prior to annual meeting.**

5. **ADJOURNMENT** – The meeting was adjourned at 1:41

Board Meeting Schedule: 4th Wednesday of every month 12 Noon to 1:30 PM

Remaining BOD 2018 Meeting Dates: Dec. Dark

**2019 Meeting Dates: Jan. 23 (annual mtg), Feb. 27 (retreat), March 27, April 24, May 22,
June 26, July 24, Aug dark, Sept 25, Oct 23, Nov 20, Dec Dark**