



To support more housing choices, by generating and leveraging financial resources, working in partnership with the public, private, and non-profit sectors throughout Ventura County.

**Board of Directors Meeting Minutes
Wednesday, September 26, 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 12:08 with a quorum of directors present.

Board members present: Nick Birck, Stephen Boggs, Marni Brook, Jennie Buckingham, Sal Gonzalez, Tracy McAulay, Sean Morreale, Lynn Oshita, Mark Pettit, Alex Russell, Cynthia Sabatini, Donna Sepulveda-Weber, Ralph Velarde

Board Members Absent: Dawn Dyer, Mary Ann Krause, David Moe, Greg Regier

Staff Present: Linda Braunschweiger, Karen Fraser

Guests Present: none

Public Comment: none

2. **CONSENT** – Minutes of the June 27, 2018 Board meeting was distributed and reviewed. Mark ***moved to accept the minutes as presented***; Steve seconded. Motion carried with unanimous vote.

3. GENERAL BUSINESS

A. Announcements and Updates (Alex/Linda)

- 1) Congratulations were given to Many Mansions, Area Housing Authority, and Lauterbach on the opening of the beautiful Walnut project in Moorpark. VCHTF has two outstanding loans on the project. Support of the community was apparent at the recent ceremony.
- 2) The Habitat for Humanity Camarillo project loan will hopefully fund in October.
- 3) Linda is meeting on Monday with McCune Foundation to discuss renewal of our Loan. Linda has started dialog with Rabobank as well. Will decide later to extend the Rabobank loan depending on interest rates at the time.
- 4) Linda is scouting for another contract underwriter with experience in multi-family loans. ***BOD is asked to let Linda know of any recommendations.***
- 5) E-Doc Express, who we contract for loan document preparation, is closing down due to too much cost from new fed regulation. They will give us a referral to another source. The Board asked if our language changes enough to warrant hiring someone for each loan rather than using a template and engaging legal counsel once a year to review.
- 6) We are looking for a few more people to join the branding committee, especially outside people with expertise in marketing. Currently Jennie and Sal are on the committee along with contractor Lynn Coverly. ***BOD is asked to let Linda know of any recommendations.*** They will look at logo, tag line, brand recognition, etc.



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B. Financial Report (Marni) – Financial report as of August 31, 2018 was presented and discussed. The \$92,500 budgeted expense number on the summary page was questioned. ***Karen to research this with Vickie and correct.*** We are below projected income year-to-date for several reasons. 1) We did not receive our CDFI-TA grant funds nor a portion of the requested. Our Contractor is looking into this on our behalf; Suggest requesting scoring sheets and talking to CDFI review staff to determine their reasoning. 2) Grantors are looking for event sponsorship and has tightened general grant funds. 3) The cities of Simi and Ventura decided to spread their grant over several years (the budget shows receiving it all in 2018). 4) We did not receive a County grant; they will reconsider this for next year. 5) We have only funded the second half of the Habitat for Humanity Oxnard loan in 2018. There has been no other new loans, so decreased fee revenue. 6) Our other loans are paying off and without any new loans there is not as much interest income as projected. ***Future P&L reports will show class headings to reflect activity split (fundraising vs program). Linda will be speaking with Vickie about the formula that is used to calculate total operating cash on summary page. Linda is asked to generate a forecast, particularly when there is a large discrepancy between actual and budget. Sal moved to accept the financial statements as of 8/31/18 as presented.*** Sean seconded. Motion carried unanimously.

1) **2017 990 Tax Returns** – Marni moved ***to accept the 2017 Tax Returns as prepared by contract CPA David Keller.*** Sal seconded. Motion carried with unanimous vote.

C. CEO Report (Linda)

1) Office Rent: Ventura Investment Co. has granted us another year of free rent. ***Please thank Bart Stern and staff when you see him. Karen to send letter and post on Website.***

2) Ojai: The City of Ojai has approved a one-time \$50K grant. This was invoiced in September with expected payment in October. They have a small affordable housing project under consideration. We now have all 10 cities and the County providing financial support, fulfilling a commitment that was made when we started.

3) CDFI Fund – Technical Assistance Grant: We did not get the CDFI-TA grant. See discussion in “Financials” section.

4) CDFI Fund – Capital Magnet Fund Grant: In September we submitted an grant application under the Capital Magnet Fund. The request is for \$4M + 3% Reserve + 5% Administration, with a focus on developing a residual receipts loan program. CDFI stipulates that the money go to a new program that is not currently being done, for low to extremely low housing units, in qualified census tracts, and dispersed within 5 years. We noted five possible projects in the application: Westview Phase 2 and 3 (HA-Ventura), Many Mansions/Area Housing Authority in Fillmore, People Self-Help Housing in Fillmore, and another Many Mansions project. We should receive word in January 2019.

5) Board Members Returning/Departing/New Officers: ***Linda will reach out to all BOD regarding serving next year and their position on various committees.***

6) OFN Conference: Linda will be attending the National CDFI Conference in Chicago – 10/7-10/14.

4. COMMITTEE REPORTS

A. Event Committee (Tracy/Karen) – A final accounting of the July 25th event was distributed and discussed. It was our second highest income and sponsorship generating event with \$46,778 net income. The Board discussed pros/cons of the new CSUCI site. ***BOD is encouraged to email Tracy any comments.*** Committee will be meeting at 10:30 on October 23rd to debrief and talk about next year.



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- B. Nominating Committee (Cynthia) – Cynthia handed out information to members on the committee. Information included a candidate scoring sheet and resumes/bio of the current candidates. **Members are to review the information and meet and/or conference call in the near future. Committee will come back in October or November with recommendations.** Linda spoke about the need to consider diversity of the Board as many grantors do look at these factors (gender, age, industry, ethnicity/race). We would like to have greater representation from folks serving the very low income people/homeless as well as someone in for-profit housing. Candidates are: John Fowler (CEO of Peoples’ Self Help Housing Corp.), Margarita de Escontrias (CEO of Cabrillo Economic Development Corp.), Anthony Mireles (Manager of Construction Union Local 585). Sean Leonard (President of SL Leonard Co.) withdrew his name from consideration.
- C. Developer Roundtable Recommendations for the Underwriting Committee (Alex) – The Board reviewed the discussion and recommendations from this August 28th gathering. While there wasn’t any for-profit developer represented, a representative from A Community of Friends was there and provided great insight as well as other attendees. The input received included the need for larger loans, too many hoops for a relatively small loan, and extra costs. Our competitive advantage was determined to be our flexibility and acceptance of a second lien position, rather than our interest rate. It was recommended to streamline by eliminating the pre-application in most instances and rely instead on a preliminary phone conversation with the potential applicant. Suggest to add a Line-Of-Credit product for known developers. Change our documents to reflect a 30-day processing time once all information is received from the applicant. Change the wording of “clean” money. Adjust rates to reflect points + base. Need to discuss loan fee and other fees, perhaps a tiered structure so it wouldn’t be so costly for larger loans. **Will take all comments to the underwriting committee for in depth discussion and review of changes to be made in our documents.**
5. **ADJOURNMENT** – The meeting was adjourned at 1:32

Board Meeting Schedule: 4th Wednesday of every month 12 Noon to 1:30 PM
Remaining BOD 2018 Meeting Dates: Oct. 24, Nov. 28, Dec. Dark