

**Saint Joseph Community Land Trust
Board of Directors Meeting Minutes
Wednesday, May 14, 2020**

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Meeting called to order: 5:35 p.m.

Meeting adjourned: 7:29 p.m.

Board Members Present: Francie Alling, Lyn Barnett, Allan Bisbee, MaryAnne Brand, Karen Fink, Jessie Walker

Board Members Absent: Chaplain, Fr. Mauricio Hurtado

Staff Present: J Diaz, C. Rosburg

Members: Jill Teakell

Guest: Aurora Turknett and Britt Vance from MBS Property Management, Inc.

1. **Topic:** Opening Prayer

Discussion: Barnett said the opening prayer

Topic: Call to Order and Approval of Agenda

Discussion: Moving items 10 and 14 to executive session.

Action Taken: Motion to amend the agenda to move items 10 and 14 to an executive session was made.

Moved by: Fink

Second by: Brand

Ayes: All

Nays: None

2. **Topic:** Roll Call of Board Members and Determination of Board and Membership Quorums

Discussion: Secretary Fink called roll of the Board Members and determined we had quorum present.

3. **Topic:** Open Floor

Discussion: none

4. **Topic:** Consent Calendar (action taken on all items unless pulled for discussion by a board member)

a. Approval of April Minutes

b. Financial Report (Treasurer)

i. Banking & Fund Account Balances

ii. Profit & Loss/Balance Sheet Statements

iii. Budget and Budget Variance/Budget Adjustments

iv. Resolution Adding Executive Director as Signatory on Checking Account

c. Accept Investment Committee Report

d. Accept Loan Committee Report

e. Accept Building Committee Report

f. Accept Work Plan Updater Report

g. Accept Community Outreach Report

Discussion: Barnett noted the financial reports this time around because of the COVID-19 is missing items b. little i, ii, and iii. Brand give an update after being able to talk with Cece and El Dorado Savings. Once we get the resolution

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adding Jean as a signer there are a bunch of steps we have to do, we have to add Jean and then talk to El Dorado Savings about the online banking and we can establish internet banking with one login per account but then we can also establish up to 3 other people for mobile active via the app so that Charlotte would be able to access mobile deposits and then Charlotte could go in and download the statements when they are available and email it to Cece. Alling had a question for Brand on the financial report, about the \$2,000.00 from the Federal Government. Diaz explained that we had applied for \$10,000 but that they had changed the rules to be \$1,000.00 per employee. Barnett mentioned that our fiscal year is running out and that before our next meeting he wants to make sure that we have some kind of resolution that gets us past July 1st so that we are not operating without a budget. Barnett asked Diaz to have this resolution ready in time and put into the financials at our next meeting. He also mentioned the membership renewals coming up and wanted to make sure we have a strategy to get our membership renewal drive started.

Action Taken: A motion to approve all other items on the consent calendar items was made

Moved by Bisbee

Second by: Brand

Ayes: All

Nays: None

5. **Topic:** COVID-19 Response—MTH, Emergency Loan Programs & Sierra Garden Apartments

Discussion: Aurora Turknett and Britt Vance from MBS Property Management, Inc. reported on the response to the COVID-19 at Sierra Garden Apartments. Britt Vance reported that it is going well, the office is closed, but the residents can contact the office via email or drop off the necessary paperwork needed or send it through email. Ms. Turknett reported that 19 tenants have had their income affected due to either being reduced, or loss of work., and she is working on all those 19 income certifications. They have not had any cases of COVID-19 reported to the office. Residents experiencing any respiratory issue self-quarantined. It is nice everyone has been very respectful and people on the property are wearing masks. The Community Room is closed as well. Barnett asked how it now works with the mail room/laundry room? Every day between 1 p.m. to 2 p.m. the laundry room (which includes the mailboxes) is closed for sanitizing. A lot of people are bringing in their own wipes and wiping down the machines when they use them. Everyone has been told to not socialize in the laundry room. Barnett inquired about the children's play area, and Aurora reported it has been closed and there are notices posted. Reporting on the site weathering the winter, Aurora said there was some damage to some parking blocks that just needed to be pushed back down and that 7 trees and 8 bushes did not make it. Diaz inquired about the status on the smoking. There are two residents that we have filed paperwork notices to start the eviction process but nothing is moving because of the courts being closed. The notices are still getting served, we have caught some of the residents smoking on the premises, and we have served notices. Britt expressed that they are going to move forward with the two tenants that are continually smoking in their units. Diaz indicated that we want to be fair and reasonable and I think we have been patient. Britt said that she had talked personally to both tenants and questioned them, is it more important to smoke in your units, or place to live ...but they are continually smoking. At this point we have enough violations where we can go ahead and move forward with eviction. Diaz confirmed with Vance that these residents know of the smoking policy and it has been made it very clear and they have given them ample warning. Barnett asked that management check with Pacific Development Group to see if there a guarantee on the landscaping, for the trees that did not make it through the winter. He thinks we had a two- or three-year warranty. Barnett requested a strategy to replace those trees. Aspen Hollow was suggested and they also sell native Aspens. Fink asked what the

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process is for people that cannot pay their rent on time, and if there is federal guidance on that. SGA is putting in place an actual COVID-19 payment plan, so it would start in July and it is broken down if they cannot recertify. If a renter is no longer working and filed for unemployment then SGA gives the renter a verification and SGA sends that off to Employment Development Department (EDD) to verify. If they are still working and they cannot pay that much, but they don't have any way to show that their income decreased, there is a payment plan in place that goes out 4 months so it does bring it down to an increment that they can handle. If they cannot pay their current rent they must pay it back over 4 months, this is if they cannot recertify and show a change in their income. Once they do recertify and show a change in income HUD will take over that loss of rent and it is retroactive. Barnett asked Aurora if she was familiar with the emergency loan program that we have for our members. Aurora indicated she had applications in the front office. Diaz emphasized that one of the things residents have to do is to complete the membership application for use of the members' emergency loan. He asked that every time we add a new resident it would be great if they would pass that information onto them and say here is something you should consider joining and there are some benefits - like the member emergency loan program. Aurora explained that she already sticks the Membership Application into their move in packet, with a list of utility companies.

6. Review of Motel to Housing Program—review of aging/write-off report

Discussion: Diaz discussed the report for the recent response to COVID-19 that we have put together for the Motel to Home program and our Members Emergency Loan. We have one Motel to Housing beneficiary taking advantage of the program deferment option and one deferment request that is potentially forthcoming. One Emergency Loan Program application has been requested and sent out to a member but has not yet been returned. With the Loan Aging Write-off Report Diaz expressed two things, one is since we have the two loan programs that have been in existence it is important that we develop a way to report on the performance of our loan programs. We should probably develop a write off policy that helps us decide at what point we are going to write off an account and not spend any more of our resources trying to track it down. The aging report shows some of the earlier loans did not perform very well at all. The performance lately has been much better. Barnett mentioned that when he is speaking to the Soroptimists and others for this program, he always makes it very clear that we have very high delinquency rate on these. Diaz summarized the resolution saying we have established these programs, the Motel to Housing Program and the Membership Emergency Loan program to generally aid members that are lower or moderate income experiencing financial strain and it is expected that the loan loss experience is typically higher than commercial loans. The resolution states the board desires to establish a policy for loans made through the loan programs and to provide guidelines for writing off loans that are deemed uncollectable. We will take every reasonable step to collect the funds that are due. Fink volunteered to read the resolution adopting an account write off policy. Walker asked to what degree would this resolution and this policy be available to the public. Diaz answered that our resolutions in general are available to the public, it would be available to the public unless the board directs it not to be. The policy is not totally open ended it calls for under what conditions we write off the loan, for instance is it bankruptcy or a death or they move, and we cannot trace them. All corporations have a write off policy to manage an account that is not going to be collectible. The board agreed that a certified letter will go out at 90 days and the write off decision is made at 120 days.

Action Taken: A motion to approve resolution as modified with a certified letter going out at 90 days and a write off decision being made after 120 days.

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Moved by Bisbee

Second by: Alling

Ayes: All

Nays: None

7. Topic: Resolution Adding TAHOE (Tahoe Affordable Home Ownership Enabling) Program to Programs Plan

Discussion: Diaz discussed how most of the board was on the zoom meeting last week for a presentation about the TAHOE Program and the responses were favorable. Diaz and Barnett have been working on putting it into the Programs Plan that was sent out to review. In anticipation of board approval Diaz drafted a press release that includes some nice quotes from Barnett, Bill Roby, Chase Janvrin, the City of South Lake Tahoe's new City Manager, Joe Irvin and the City of South Lake Tahoe Housing Manager, Patrick Conway. There will be opportunities in the future to fine tune things that might not work well. Barnett indicated that this starts a whole chain of events including our homeownership education program, moving funds around, starting fundraising, preparing application forms, forming a committee and starting advertising. Diaz thought possibly by September we could get our first application for TAHOE program and how in part this is doable because he has the benefit of some of the work that has been done by Proud Ground in Portland and the City of Lakes Community Land Trust in Minneapolis that can inform different components of the TAHOE Program. For fund-raising the next step would be to work with Bill Roby and the El Dorado Community Foundation in putting together the fund for this and the fund-raising program that Bill offered to help with. It also will require some significant work with Jill Teakell and the Real Estate community to be sure that the documentation and the process that we are working out will work for the realtors that may be involved in the program. We need to make sure lenders understand the program and be sure that in selecting the appraiser they get one that is familiar with the Community Land Trust model. Teakell reported that are not seeing prices go down because of our current economic problems. Jean said he is seeing reports that 60 to 90 days from now is when it is going to happen, because it takes a while for delinquencies and defaults to flow through. Teakell said she believes that delinquencies and defaults are going to be a big problem, and she thought it was terrific to see that we are addressing that specifically and trying to help people stay in their homes. Buyers currently are paying the same prices they were three months ago because there is a shortage of supply with ample demand. Diaz explained how the TAHOE program started with just one component, trying to help employees that are trying to buy a home here. Now recognizing the impact COVID-19 may have we want to be ready to be opportunistic and if prices fall it may make sense for us to buy an existing home rather than build a new home. And the third component is for people that are living in their existing home, but they are at risk of losing it for whatever reason, we want to be able to step in and help in that situation. The first component was where it started the second and the third component were added on as we started getting into the COVID-19 crisis and thinking through what might happen. Diaz discussed how we are going to create a fund at the El Dorado Community Foundation as a visible way to monitor and allocate the funds. Alling questioned number 3 of the resolution, asking if we had \$50,000.00 or \$100,000.00 in the EASE Program? Barnett stated that we had put \$50,000.00 into El Dorado Community Foundation for the EASE Program. We are transferring the \$50,000.00 EASE funds and we are transferring another \$50,000.00 into this program and will have \$100,000.00 of our money in this TAHOE Program fund. Barnett said we may get the \$20,000.00 from Bill Roby right away and then we can start doing some other fundraising. We will be doing fundraising while we are doing all the preparation, all the training and the education mentioned earlier. Diaz interjected that Lyn was just talked about is component 1., where we are helping an employee moving up here looking to buy a home, we would

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contribute up to \$100,000.00 for the land. For the other two components the economics are a little different but the maximum that we would subsidize is \$100,000.00.

Action Taken: A motion to approve the modifications to the programs plan by adoption of the resolution.

Moved by: Brand

Second by: Alling

Ayes: All

Nays: None

8. **Topic:** Annual Meeting Timing/Logistics/Content

Discussion: Barnett said he had asked Diaz to check the bylaws to move the annual meeting out until Fall, possibly to September but as mentioned earlier he would like to kick start the membership renewals because we can use the renewal letter as a vehicle to get the word out and have people start considering joining the board. In the renewal letter we will include information about income levels for families and if they are low income level how we would highly encourage them to join the board. Diaz suggested that because of the COVID-19 crisis and the impacts on meeting and social distancing that it is the boards desire to reschedule the annual meeting to a date in September. September would give us time to figure out what is going on and if it is going to be resolved by then, and at that point we may decide it doesn't make sense to delay any longer and to go forward with scheduling a zoom meeting. Alling suggested that we say that we will have a meeting and it will either be a physical meeting or a zoom meeting, and that we should talk about the logistics at our June meeting. Barnett thought we may be able to have small gatherings by September and maybe we can set one of the computers in the community room at Sierra Garden Apartments to use for the residents to participate. He also reiterated how we need to get membership renewals and cash flow going again and that and we should celebrate some of the achievements we have had this year in the letter.

Action Taken: A motion to postpone the annual meeting until September either by zoom or in person and to send out a letter to the membership notifying them.

Moved by: Walker

Second by: Alling

Ayes: All

Nays: None

9. **Topic:** Board member updates and comments

Discussion: The Riverside lot project is moving forward with three houses rather than four houses - these are small lots. There will be (2) two-bedroom homes on the corner lots and a three-bedroom home in the center. The reason we are going with two bedrooms is the corner lots the setback lines on two streets really eats up our buildable areas. We are making great progress with Meea Kang and her group on what we are now calling the Sugar Pine Project. She has listened to every comment we had on the preliminary plan, including a nonprofit center that we could put our office in potentially and a daycare center. The proposal includes a community room, outdoor play areas, other outdoors meeting areas. On top of that the city of South Lake Tahoe is going to soon release the Lake Tahoe Boulevard Beautification project. Our residents at Sierra Gardens will have a continuous bicycle or walking path. Diaz expressed how Meea is just doing an amazing job circling around getting support for the project. In the process of thinking about our budget for the next fiscal year in our business plan we had projected moving from 1.5 FTE's to 2 FTE's. In the next fiscal year that is certainly going to be the case and it may be more if we are successful in the Sugar Pine Project, if the TAHOE program gets some traction and with Riverside. We may need to consider more

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than two full time equivalent sometime in the next fiscal year and the implications of that. Barnett added that we need to think about office space and other resources associated with that process. Brand noted that if we want a meeting on June 3rd that is fine but there is no way that May's bank reconciliation and financials will be done. If we have the meeting on June 10th, Brand said she could probably get that stuff from Cece effective May 31st. The board made the decision to have the next meeting date on Wednesday, June 10, 2020 at 5:30 p.m. via Zoom.

10. Topic: Executive Session Regarding Litigation

Discussion: The Board went into Executive Session.

Action Taken: A motion to allow if our consent is required by the insurance company to settle this lawsuit, that the President or Executive Director are authorized to consent.

Moved by: Karen second by: Bisbee

Ayes: All present (Walker left the meeting just before the executive session)

Nays: None

11. Topic: Adjournment and Closing Prayer

Discussion: Meeting was adjourned, and Brand led a closing prayer.