

MINUTES

CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION (CCCIC) ANNUAL MEETING September 12, 2017 3:42 P.M.

PRESENT

Board of Directors

Lucy Rubio, President
Carolyn Vaughn, Vice-President
Rudy Garza
Michael Hunter
Joe McComb
Paulette Guajardo
Ben Molina
Debbie Lindsey-Opel
Greg Smith

Officers

Margie C. Rose, General Manager
Rebecca Huerta, Secretary
Paul Pierce, Asst. Secretary
Constance P. Sanchez, Treasurer
Alma Casas, Asst. Treasurer

Vice-President Rubio called the meeting to order in the Council Chambers of City Hall at 3:42 p.m. Secretary Huerta verified that a quorum was present to conduct the meeting and notice of the meeting had been posted.

Vice-President Rubio moved to Item 3 and called for the reappointments of Lucy Rubio, Rudy Garza, Carolyn Vaughn and Michael Hunter and the new appointments of Joe McComb, Paulette Guajardo, Ben Molina, Debbie Lindsey-Opel and Greg Smith to the CCCIC Board. Board Member Garza made a motion to approve the motion, seconded by Board Member Vaughn, and passed unanimously.

Vice-President Rubio moved to Item 4 and called for the Election of Officers. A motion was made by Board Member Vaughn to appoint Lucy Rubio as President, seconded by Board Member Smith, and passed unanimously. A motion was made by Board Member Lindsey-Opel to appoint Carolyn Vaughn as Vice-President, seconded by Board Member Hunter, and passed unanimously. A motion was made by Board Member Vaughn to appoint Rebecca Huerta as Secretary, Paul Pierce as Assistant Secretary, Constance P. Sanchez as Treasurer, Alma Casas as Assistant Treasurer, and Margie C. Rose as General Manager, seconded by Board Member Lindsey-Opel, and passed unanimously.

President Rubio moved to Item 5 and called for public comment. There were no comments from the public.

President Rubio moved to Item 6 and called for approval of the minutes of the September 13, 2016 meeting. Board Member Garza made a motion to approve the minutes as presented, seconded by Board Member Vaughn, and passed unanimously.

President Rubio moved to Item 7 and called for the Financial Statement. Treasurer Constance Sanchez referred to the Combined Balance Sheet ending July 31, 2017; total assets of \$13,717,481 with liabilities of \$12,850 for a fund balance of \$13,704,631 for a total liabilities and fund balance of \$13,717,481. Treasurer Sanchez referred to the Income Statement twelve

months ended July 31, 2017; total revenues were \$766,466 with expenditures of \$766,051 and excess of revenues over expenditures of \$416 for a total fund balance of \$13,704,631.

Board Members discussed the following topics: interest on investments, loans originated in the Fiscal Year, loan portfolio interest rate of ½%, and range of interest rates for clients.

Treasurer Sanchez stated the funds are invested by the City, so it is part of the City pool and not a trustee. Treasurer Sanchez also stated that now that the interest rates are rising, the City is being more aggressive with investing and there will be an increase in the amount of interest. Treasurer Sanchez stated her information earlier needed to be corrected regarding the assets balance. She explained the assets are made up of cash and mortgages, so the cash is actually a little over \$2.4 million and the rest are mortgages. Treasurer Sanchez introduced Rudy Bentancourt, Director of Housing and Community Development. Director Bentancourt stated the information requested regarding loans originated in the Fiscal Year was not available yet and his office is working on it. Treasurer Sanchez stated the loan portfolio interest rate is ½% spread over the year. Director Bentancourt stated that the interest rate on a loan is determined by the type and purpose of the loan.

President Rubio moved to Item 8 and called for the motion to amend the by-laws, Sections 2.04 to move the Annual Meetings from February to August. Secretary Huerta stated the reason the month of February was previously selected was because the City Council elections are held in November, and if needed, run-off elections are in December. Thus, February allowed sufficient time for these things to occur.

A Board Member stated the Charter states annual meetings are to be held in May and he simply wants the rules to be followed. A Board Member asked if the annual meetings should be held earlier in the year.

Rudy Bentancourt, Director of Housing and Community Development, stated the reason the annual meetings are typically held in August is because when the tax credits are approved at the State level there is only a short time frame for a firm commitment from the City by September.

Board Member Smith made a motion to approve the motion, seconded by Board Member Lindsey-Opel, and passed unanimously.

President Rubio moved to Item 9 and called for the motion to amend the by-laws, Sections 5.01 to require for each annual meeting the preparation of the most recent annual report and information on the loan portfolio to include aging of loans, number of loans originated and amount of loans originated. Board Member Smith made a motion to approve the motion, seconded by Board Member Lindsey-Opel, and passed unanimously.

President Rubio moved to Item 10 and called for the motion to approve a loan commitment of \$300,000 for the Samuel Place Apartments project, loan to be made from funds provided through the United States Department of Housing and Urban Development's HOME Program at 1% interest for a 40-year term with payments amortized over 40 years and paid from available net cash flow, subject to execution of the funding agreements.

Board Members discussed the following topics: providing more information to the board regarding the project in the agenda packet and term of loan.

Rudy Bentancourt, Director of Housing and Community Development, stated a map of the location is provided on the screen and provided more details about the project. Director Bentancourt explained that developers' loans are structured and approved by the State. Director Bentancourt introduced Ray Lucas, Lucas and Associates, Developer for the Samuel Place Apartments project. Mr. Lucas stated the loans can have a shorter term, however, the affordable period of time for the developer, as approved by the State, is 40 years.

Board Member Garza made a motion to approve the motion, seconded by Board Member Molina, and passed unanimously.

President Rubio moved to Item 11 and called for the motion to approve a loan commitment of \$285,137 for the Village at Henderson Apartments project, loan to be made from funds provided through the United States Department of Housing and Urban Development's HOME Program at 1% interest for a 40-year term with payments amortized over 40 years and paid from available net cash flow, subject to execution of the funding agreements. Rudy Bentancourt, Director of Housing and Community Development, stated this project is for new construction for Americans with Disabilities - (ADA) compliant housing at the project location. Board Member Molina made a motion to approve the motion, seconded by Board Member Garza, and passed unanimously.

There being no further business to come before the Board, President Rubio adjourned the meeting at 4:01 p.m.