

MINUTES – 7.13.17

1. **Call to Order and Roll Call**

Board members present: Rose Cook and Luwana Ferguson in person. Roger Mancebo, Willis Swan and Joni Eastley via telephone.

From NRHA: Gary Longaker, William Brewer, Sherry Wood, Tammy Lancaster, Ernie Adler and Tiffany Hornsby.

2. **Pledge of Allegiance**

3. **Public comment and discussion:** There were no comments from the public.

4. **Introduction of New Board Member LuWanna Ferguson** - Longaker introduced NRHA's newest board member LuWanna Ferguson.

5. ***For Possible Action*: Approval of minutes from prior meetings:**

- a) Approval of Board Meeting Minutes from June 22, 2017 - Swan moved to approve the Board Meeting Minutes from June 22, 2017; Mancebo seconded; motion carried unanimously.

6. ***For Possible Action Resolution 2017-07-01** – To approve the redemption of NRHA's 2007B Bonds currently outstanding, thus acquiring the related Mortgage Backed Securities bearing interest at 5.85%.

Lancaster stated that this will be our third opportunity to make this transition from taking our liquid resources which are currently in money market funds that are earning 2/10^{ths} of 1% in interest to holding MBS backed by our SF mortgages. When we started we had nearly 4 million dollars in unrestricted cash and we have invested thus far 1.4 million of that amount into the Mortgaged Back Securities (MBS) that are backed by our own mortgages generated through our single family housing bond program. Those mortgaged back securities have been earning 5.25%. The potential we have on the new issue would be 5.85% as opposed to the 2/10th of 1%. The estimated unrestricted cash available after that investment was 1.8 million. The cost of paying off the bonds and therefore retaining the MBS was estimated at \$1.585 million, but to date is \$1.573 million. Those numbers are based on projections. It is estimated that we would earn \$85,000 to \$90,000 a year in interest compared to the money market fund \$3,000 on those same resources. On the last two bond redemptions we did, 2006A and 2007A, to date we have earned \$68,581 in interest compared to what we would have earned, \$2,706 on those same funds. She recommended we make the change.

Longaker and Brewer both believe approving this is a good opportunity for NRHA.

Lancaster stated the only risks associated with redeeming these bonds are changes in the marketplace, such as early mortgage terminations where our principal is returned to us, defaults which are a very small percentage, or substantially increasing interest rates.

Mancebo moved to adopt Resolution 2017-07-01 approving the redemption of NRHA's 2007B outstanding bonds; Eastley seconded; motion carried unanimously.

7. **For Discussion:** Community Land Trust Business Plan – Ernst Adler – Adler briefly discussed the business plan. NRHI will probably be in charge of this land trust if we decide to implement the plan because they have more flexibility.

8. **For Discussion:** Updates from Deputy Director Bill Brewer
- a) Status of offer on building site – Brewer stated we made an offer to the owner of the property. We learned that another offer has been made on the site. The owners have withdrawn property from market. NRHA has contacted their sales agent to discuss alternatives we might offer on the property such as offering the owners the opportunity to gift a portion of the sale proceeds to NRHA which would provide them with a substantial tax benefit. We are waiting to hear back.
 - b) Staff Changes – departures, promotions, etc. – Tammy Lancaster announced that she will be leaving NRHA on July 21st, 2017. She is taking a new position in Carson City. She stated that she is downloading Tiffany Hornsby on all of her tasks for a smooth transition. Brewer announced that Joel Panduro has left to take position with Finance America. Melanie Evans was promoted to The Mortgage Marketing Team Lead. Grant Brewer was promoted to Mortgage and Marketing Specialist. NRHA still has openings for CDG Director and Weatherization Tech. Brewer elaborated on why we are adding a weatherization tech.
 - c) Modifications to CPLC space – We are modifying NRHA in the CDG area and not CPLC area as stated above. They are developing office spaces for CDG team so they can work more efficiently. Construction should be completed this week.
 - d) PABC activity – community visits, transfers – NRHA has gathered bond cap from a number of counties. Most counties have been receptive. We have approximately 11 million gathered up. We still have several communities to approach including Washoe County and Clark County. There is a PACB Advisory Committee Meeting next week. The transfers we were able to get agenized by yesterday will be considered.
 - e) CPLC and Tonopah activity – Brewer and White spoke with CPLC about land site near hospital regarding development on that site. They agreed to take a look at that and Rupert Ruiz has directed Eddie Hult to begin looking. He wants to contact the hospital to see if they have plans and if so what the plans are and if they have done any studies on that area. Eastley stated she arranged meeting between CPLC and member of hospital board. The meeting went well.
 - f) Return of RNDC’s Property Records and Files – Brewer stated that we were unable to consummate a deal with Caleb Roope and RNDC on several of properties that were part of RNDC package. We have been providing oversight of the management on those properties, so we have formally ended the arrangement on those specific properties. We will be returning all those property records and files next week. Still working toward closing on the 2 Bristlecone properties in Ely and the 2 Desert properties in Tonopah.
9. **Date of next meeting:**
- a) Board Retreat Meeting – August 17, 2017 at 10:00am. – Cook asked Longaker and Brewer what the board should do to prepare for the meeting? Longaker stated that we will send materials before the meeting. If there any questions, please contact us before the meeting so we can answer any questions or concerns. Brewer stated that we will be discussing where are currently, where are we headed, and plans to get there. We will be looking for comments and guidance from the board.
10. **Public comment and discussion:** There were not comments from the public.
11. **Adjournment:** Swan moved to adjourn; Mancebo seconded; motion carried unanimously. Meeting adjourned at 10:55am.