

**REGULAR MEETING
PLUMAS COMMUNITY DEVELOPMENT CORPORATION
HELD IN QUINCY, CA MARCH 12, 2025**

I. ROLL CALL

The meeting is called to order at 9:03 a.m. by President Roger Diefendorf.

President Roger Diefendorf, Director/Treasurer Cindy Ramsey, Director Paul Mrowczynski, Director Kevin Goss via phone, Director/Board Secretary Tricia Romandia are present. Quorum was met.

Public present: Michelle Majeski

II. ADDITIONS, CORRECTIONS, OR DELETIONS TO OR FROM THE AGENDA

President, Roger Diefendorf, inquired if there were any additions corrections or deletions to or from the agenda. Ms. Ramsey requested two corrections: 1) the meeting is a regular meeting and not a special meeting, 2) the minutes are special meeting minutes and not regular meeting minutes.

III. APPROVAL OF MINUTES

President Diefendorf requested approval of Minutes as of the February 26, 2025, Special Meeting. Motion is made by Director Goss to approve the minutes. President Diefendorf second the motion. No opposition. Approved.

Tricia Romandia abstained.

IV. MEMORANDUM OF UNDERSTANDING – PCCDC & PCDC

President, Roger Diefendorf, presented a revised Memorandum of Understanding (MOU) of the initial relationship between Plumas County Community Development Commission and Plumas County Development Corporation.

Ms. Majeski stated the following bullet points from the February 26, 2025, meeting were omitted:

- A paragraph that separates PCCDC's money and PCDC's money.
- Change from "PCCDC has provides services" to "PCCDC provides services."
- A set percentage of salaries or set percentage of computer expense overhead within our allocation regarding administration costs
- Include language that PCCDC will provide invoices to PCDC with supporting documentation.
- A set percentage of salaries or set percentage of computer expense overhead within our allocation regarding administration costs.

It was agreed that the following bullet points would be a part of the Financial Agreement and not the MOU:

- A set percentage of salaries or set percentage of computer expense overhead within our allocation regarding administration costs.
- Include language that PCCDC will provide invoices to PCDC with supporting documentation.
- A set percentage of salaries or set percentage of computer expense overhead within our allocation regarding administration costs.

After further discussion, the Board decided on a third bullet point for 3) Funding and Financial Obligations that would state "The Nonprofit Board and the Agency Board will approve contracts whether in collaboration or isolation based on their Bylaws" and 2) Roles and Responsibilities change the third sentence from "Where PCCDC has provided services" to "Where PCCDC shall provide services."

In addition, it was agreed to utilize some of the language from HUD's sample MOU for the initial Financial Agreement between PCCDC and PCDC, President Diefendorf is to do a time study on the meetings he attends regarding the PCDC outside of the board meetings, Finance is to do a time study, and present these numbers along with the edits via email since the PCDC is operating without an Agreement. It was also discussed that Board could have an email vote regarding the Agreement. The Finance Agreement was tabled to the June 11, 2025, meeting.

Director Mrowczynski stated the PCDC might be entering into a Financial Agreement with the Housing Assistance Program. The program would serve both agencies. Even if the Nonprofit is the fiscal agent the benefit to the Agency is still there. He wondered if the \$100,000 allocated in the Housing Assistance Program for administration was going to the Agency or the Nonprofit. He assumed it would go through the Agency, unless someone was hired to administer the Nonprofit.

Director/Treasurer Ramsey motioned to approve the MOU with the edits. Director Mrowczynski second the motion. No opposition. Approved.

V. DOWN PAYMENT ASSISTANCE PROGRAM UPDATE

President Diefendorf stated he began looking at the Down Payment Assistance Program (DPAP) that was created from Paradise, CA, and other various sources. Presentations have been made to the Dixie Fire Collaborative (DFC) and Board of Supervisors regarding the DPAP. He had been in contact with Rural Community Assistance Corporation (RCAC). They are a large organization that operates in 11-13 western states. They are predominately housing related, involved in economic development, and assist in developing other funding sources so the program will be a continuing program. RCAC has offered, for a fair price, to act as a consultant on the DPAP. Their proposal is to assist in designing the nuts and bolts of the program, which is needed and would give the plan more credibility. Diefendorf requested the Board of Supervisors to put the DPAP on hold in terms of any requests to that Board. In approximately two weeks, Diefendorf will be requesting funding from the DFC in the amount of \$25,000 to develop the program. RCAC is offering consultant services for a

maximum of \$15,000, and \$10,000 would go towards funding Diefendorf's time along with anyone else's time who helps develop the program.

Plumas Rural Services (PRS) has a Local Lease to Own Program. Diefendorf met with the Director of PRS, and they might be willing and able to administer DPAP.

Director Mrowczynski stated it is wise to get RCAC and PRS involved. RCAC is a larger multi-state agency and must have a sustainability plan. Working with already successful agencies and practices is the way to go than having the Nonprofit bear the burden. He inquired if the DPAP was a loan or a grant.

President Diefendorf stated it could be either. It is designed that whatever funding that DPAP provides to purchasers would be a second position lien on the properties so that at the point it was sold or transferred in some way the money would come back and recycled into the program.

Director/Treasurer Ramsey stated the Agency would not receive the money from the sale or transfer for 30, 40 or 50 years since the ideal demographic is 30 or 40 year olds with a family. The Nonprofit would always be looking for investors because once the \$800,000 is spent it is gone unless one of the houses sells.

Director Mrowczynski requested clarification of the term "affordable housing" that is used frequently in the MOU. Is it low-income housing or is it middle-income housing?

Director/Treasurer Ramsey also had concerns regarding the "affordable housing" term used in the Bylaws and the DPAP. Both need to be reworked. If the idea is families are purchasing a 1,000 sq. ft. house and they make \$32.00 per hour, they have a mortgage of \$300,000 even with the discount the monthly payment will be too high for them. Your mortgage is to be 28 percent of your income. With the current calculations the monthly payment would be \$1,583.00 per month without taxes or insurance. At that point, it is not affordable.

Director Mrowczynski stated we assume RCAC has had experience with this issue before and that is why we would want to contract with them. He inquired if it was the Agency contracting with RCAC or the Nonprofit.

President Diefendorf stated it would be the Nonprofit that would contract with RCAC because the Agency does not have the capacity to administer the program. Paradise started out with a \$60,000 down payment and then increased their funding to increase the down payment to \$110,000, which is more realistic because the cost of housing is not going down. This is aimed at work-force housing with 110 percent Area Median Income so it is not low-income housing at that point.

Director Mrowczynski stated a clarification of roles between the Nonprofit and Agency needs to be clarified.

Ms. Majeski inquired to the statement of, "The Agency does not have the capacity to run the program" because the Nonprofit is going to be responsible for reporting on any monies that it receives, and in California there are a lot of reporting requirements. The Nonprofit staff is responsible to make sure the consultant does what they are supposed

to and the Nonprofit staff is the same as the Agency staff. It is confusing because it is the same staff.

Director Mrowczynski stated a staff person may need to be hired by the Nonprofit so it is a clear differentiation.

Director/Treasurer Ramsey inquired if she would then relinquish her duties as Treasurer. As Treasurer, she is responsible for making sure the person hired does their job.

Director Mrowczynski stated Ms. Ramsey would not necessarily relinquish her duties. The Board of Directors will need to discuss the Bylaws at the next meeting because PCDC is not following the 49 percent maximum of interested parties' portion of the Bylaws. He and Director Goss are the only non-interested parties. This is where the interested parties should not be the majority of the board members.

Director/Treasurer Ramsey stated The Housing Council is motivated to get housing in Greenville and Indian Valley. There are no houses for individuals to purchase. She posed the question: what if PCDC shifted the program to incorporate building houses and down payment assistance? In this hypothetical program, the Nonprofit would purchase the land (\$25,000 rough estimate in Greenville), place a manufactured home that is three bedroom, two bath 1,500-1,900 sq. ft. on it, include the down payment assistance, closing costs, and a ten percent admin cost within the cost so the buyer still does not have anything coming out of their pocket. The program would be mostly hands off because the realtor would step in, sell the house for \$210,000 and then PCDC recoups the program funds at that point, plus admin costs. This is slower than the proposal but would ensure it would be a revolving fund. PCDC would be providing the house, providing the down payment assistance and not relying on 50 years down the line to get the money back nor would PCDC be relying on possibly getting more investors. Investing is difficult in Plumas County. To try to build a program on an investment that may or may not happen would be irresponsible of the board.

Director Mrowczynski stated RCAC has had the experience with these types of projects in many states. PCDC could develop a plan that we think would work, but we do not have the experience. He advised that we receive the money from DFC and contract with RCAC and find out the recommendations.

Ms. Majeski agreed that it is not a great model to have a program plan that is dependent upon another program succeeding. In order for this program to succeed, the building of houses has to succeed.

President Diefendorf stated that there are a couple of contractors working on the program and have the funding to be building.

Director Mrowczynski stated Nonprofits are about seeking funding from different sources. Consulting with a group that has done this before is the first step. If PCDC receives the \$25,000 from DFC, it does not put the Nonprofit in a position of owing money.

Ms. Majeski had a concern if PCDC receives the \$25,000 from DFC, and nobody knowing how to report it. PCDC is going to receive \$10,000 to develop a program that does not have the capacity. The percentages are not figured out in the Bylaws. It seems like PCDC is taking steps before the foundation is laid. PCDC is continuing to extend itself but it does not have the footing or the Bylaws to know how to operate.

Director Mrowczynski stated the caution is a very reasonable caution, but PCDC is defining the difference between the Agency and the Nonprofit in tandem. He encouraged the directors to be patient with the fact we are going to go slow and be transparent. He moved to proceed with the possibilities as well as forming the infrastructure and to proceed with DFC and RCAC. The Financial Agreement needs to be created with as much specificity and clarity as possible.

Director/Treasurer Ramsey asked if RCAC looks at alternative options and if the board is solely set on a Down Payment Assistance Program. She also stated that the way the current proposal is written, the program is not feasible.

Director Mrowczynski stated the feasibility of the program and the Boards concerns need to be addressed when entering into a Consultant Agreement with RCAC.

President Diefendorf stated the idea is to explore all avenues to help the people of our community. The County is continually losing population and it is not headed in a positive economic situation. Whatever PCDC can do to contribute to the good of the whole county is important because economic situation is not good. He hopes to have a meeting with DFC and a contract with RCAC within the next two weeks.

It was agreed prior to the next meeting the following emails would be made available to the PCDC Board: Ms. Majeski would email a draft of the Financial Agreement, Director Mrowczynski would email edits/concerns regarding the Bylaws and Ms. Romandia would begin an email regarding the list of questions and concerns for RCAC.

IV. BOARD OF DIRECTORS ANNOUNCEMENTS AND REPORTS

President, Roger Diefendorf, inquired if there were any announcement or reports. There were no announcements or reports.

VI. ADJOURNMENT

The meeting adjourns at 10:07 am. Next meeting is scheduled for June 11, 2025, from 9:00 a.m. to 10:00 a.m. at 183 W. Main Street, Quincy, CA PCCDC Conference Room.

President, Roger Diefendorf

Attest:



Secretary, Tricia Romandia