



GHC 2022 BOARD MINUTES

GUAM HOUSING CORPORATION BOARD OF DIRECTORS REGULAR MEETING Guam Economic Development Conference Room Wednesday, January 26, 2022			ATTENDANCE			
<p>Commenced: 9:13 a.m.</p> <p>Roll call/quorum present: 4 members present</p> <p>Adjourned: 10:15 a.m.</p> <p>Note: Notice of Meeting and the topics to be discussed on the Agenda was published in the Guam Daily Post and GHC's website to allow members of the public to attend the meeting via zoom.</p>			<u>Directors present:</u>		<u>Management present in person and via zoom:</u>	
			Francisco Florig, Chairman (in person) Tomas Flores Jr., Vice-Chairman (via zoom)		Edith Pangelinan, President (in person) Angela Camacho, Housing Manager (in person) Mary Guerrero, Loan Administrator (in person) Alysia Leon Guerrero, Accounting Manager (in person)	
			Lanita Tiong, Director (in person) Sandra Bordallo, Director (via zoom) Cecilia G. Mantanona, Director (in person)		Patricia M.Q. Kier, Special Assistant (in person) Cassandra Santos, ASMA (in person) John Muña, Maintenance Supervisor (in person) Arleen Ada, Administrative Assistant (in person) John Potter, Senior Tenant Relations Supervisor (via zoom)	
			Cynthia V. Ecube, Legal Counsel (in person)			
			<u>Absent:</u> None		<u>Absent:</u> None	
AGENDA ITEM	DISCUSSION	ACTION / PLAN	FOLLOW UP	RESPONSIBLE PARTY	STATUS	
I. Approval of Minutes:		Upon motion made, and seconded, and without any further discussions, the Board unanimously approved Minutes of the December 10, 2021, subject to two technical corrections.	Legal Counsel	Legal Counsel	APPROVED	
Minutes of the December 10, 2021 Board Meeting were reviewed and discussed by the Board.						
II. President's Report/Remarks:	A. November and December 2021 Report: The President		President	President	On-going	

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	<p>provided a written report for the months of November and December 2021, to the Board with the supporting attachments. The President reported on the following highlights:</p> <p><u>B. UPDATE OF LADA GARDENS RENOVATION PROJECT:</u> The President reported that the comprehensive report for the asbestos and lead testing of the 23 Lada Gardens units was received and forwarded to Guam Environmental Protection Agency (GEPA) for review. The report was favorable and GEPA signed off on the building permit application on Wednesday, January 12, 2022. The application is now at the One-Stop Service center for final processing of the building permit. Once the building permit is completed, DPW will finalize and issue the Notice to Proceed. Barring any unforeseen circumstances, GHC anticipates that work on the Lada Gardens Renovation Project will begin at either the</p>	<p>The Chairman inquired if Management will schedule a ground breaking ceremony for the Project. The President responded that GHC is making arrangements for the ceremony. The Chairman indicated that he would provide a list of individuals to invite to the ceremony.</p>			

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	<p>end of January or early February 2022.</p> <p><u>C. STATUS OF RENTAL DIVISION:</u> The President reported that the Tenant Relations Team continues to track and assist tenants applying for rental assistance under the Emergency Rental Assistance (ERA) Program. \$23,629.15 in Rental assistance payments were received for the month of November and \$22,679.99 for December with a total of \$46,319.14 for the reporting period. As of December 31, 2021 GHC has received \$236,379.64 from the ERA program which will end on September of 2022. An additional \$10,760.00 has been received in January and will be included in the January Accounting Report. The Tenant Relations Team will continue to encourage and assist tenants wishing to avail themselves of the program.</p> <p>LOAN DIVISION MONTHLY REPORT FOR NOVEMBER AND</p>				

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	<p>DECEMBER 2021 (UPDATE ON HIGHLIGHTS):</p> <p>The Loan Division received a total of twenty (20) pre-qualification inquiries via email for the months of November and December. Pre-qualification was completed for five (5) applications under the Direct Loan Program and two (2) applications under the CAHAT Program. Upon receipt of additional documents, the affordability analysis will be completed for the remaining thirteen (13). The Loan Division has a total of twenty-two (22) prospective loan applications totaling \$3,033,500.00. Twelve (12) are for the Direct Loan Program, four (4) for the 6% Loan Program, five (5) for CAHAT, and one (1) for the Home Improvement Loan Program. Of the twenty (22) prospective loan applications, 7 are for CLTC lessees. The President stressed the importance of GHC working with CLTC to encourage lessees to return to GHC and apply for its loan</p>	<p>The Chairman commented that the way to encourage CLTC lessees to apply for GHC's loan program is through an MOU between GHC and CLTC, and to move forward with the proposed legislation to allow CLTC lessees to apply with GHC's loan program for those who are not first time homeowners.</p>			

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	<p>program.</p> <p>OPEN GOVERNMENT TRAINING</p> <p>Members of GHC Management and Staff attended training on the Open Government Law presented by the Office of the Attorney General on December 15, 2021. A video link and pdf of the training/presentation is available for all staff, management, and Board members to view. The President completed the report and inquired of any questions from the Board.</p>				
<p>III. Legal Report:</p>	<p>A. <u>Status of Foreclosure Cases:</u></p> <p>Legal Counsel reported legal reports on the pending foreclosure accounts currently being handled by Counsel will be provided to GHC upon completion and/or finalization. Currently, there are now five (5) active pending loan accounts. Legal Counsel reported that GHC-05 will be closed pending confirmation by GHC at the next Board meeting since the debtor has brought the account current and the account will be returned to the Loan</p>	<p>The Vice Chairman inquired if these accounts involved prior loan workout agreements with GHC. Legal Counsel responded that the pending accounts are post-COVID referrals and because of the prior moratorium instituted by the Governor (which was lifted on July 1, 2021), Legal Counsel could only pursue collection efforts until the moratorium was lifted. The Chairman requested clarification if the amount listed on the report reflects the pay-off amount or the amount the bring</p>	Legal Counsel	Legal Counsel	On-going

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	<p>Department for servicing. Legal Counsel further reported that GHC is moving forward with foreclosure on GHC-49, GHC-51, and GHC-54 and have scheduled for sale next month because of the significant arrears owed on the loan accounts. Legal Counsel indicated that GHC-50, the debtor's family opened a probate case and will be seeking approval by the Court to sell the property and pay off the GHC Loan. Legal Counsel will continue to provide updated reports regarding the pending foreclosure matters to Loan Administrator to provide the Board.</p>	<p>current. Legal Counsel responded that the amount reflected on the legal report represents the amount to pay-off the loan. The Chairman encourage Legal Counsel to work with the debtors especially those whose amounts that are relatively low as in the case of GHC-05. The Chairman expressed reservations of taking away homes from the borrowers and to work with the debtors regarding the pending arrears. Legal Counsel stated that she will work with the debtors to work out an agreement with them. The Chairman inquired of GHC-54. Legal Counsel stated that she is awaiting for the debtor to present a loan workout proposal. GHC Loan Administrator commented that because the debtor has indicated that if the situation is COVID-related, the debtor may be able to qualify for the Mortgage Assistance Program and suggest to the debtor to inquire with DOA regarding the MA Program. The Chairman reported that this will be the last report by Legal Counsel and thanked Legal</p>			

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IV. Old Business:	<p><u>A. RFP for Legal Services Contract and Continuation of pending legal services for Corporation:</u> GHC ASMA reported that the Corporation published the RFP for Legal Services. Four (4) entities picked up the RFP packet and three (3) entities submitted proposals. GHC's RFP Committee met and made a selection. The President will send the letters based on the ranking of the parties. Discussions and negotiation with the selected offeror will be the next step. Once GHC has reached an agreement, GHC will prepare the Legal Services Contract to be executed by the parties and forwarded to the AG's Office for review and approval by their office and the Governor. Management has selected primary counsel and conflicts counsel.</p> <p><u>B. Status of MOU Between GHC and CLIC:</u> Legal Counsel reported that a MOU was</p>	<p>Counsel for the services provided to the Board and Corporation.</p> <p>The Chairman inquired with the timeline for approval of new legal counsel. ASMA responded that it depends on the pricing by the offeror. The Chairman cautioned Management not to "bare its soul" and stated that Management should have the offeror provide their fees first because in some situations, the Corporation's fees may be higher than the offeror. Once Management receives the offeror's pricing, GHC can review and determine what the Corporation will agree to based on its budget. The AMSA indicated that GHC will request the offeror's fee schedule when the Corporation issues its letters to them.</p>	GHC Board	GHC Board	APPROVED

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	prepared, drafted and circulated to Management for their comments. Legal Counsel indicated that the Board wanted to approach this Project with drafting legislation for approval by the legislature and Governor, and preparing the MOU, which was approved by the AG's Office, to be executed by GHC and CLTC. Legal Counsel prepared a Board Resolution adopting the MOU for the Board's review and action.	seconded by Director Tiong, and without any further discussions or objections, the Board unanimously approved the MOU Agreement to Provide Mortgage Loans to Eligible Beneficiaries Holding Land Trust Property and who are not First Time Home Owners between GHC and CLTC as presented subject to the spelling corrections made by the President;			
		<u>Motion to Approve Board Resolution No. 01-2022 Adopting MOU between GHC and CLTC:</u> Upon Motion made by Director Mantanona, and seconded by Director Tiong, and without any further discussions or objections, the Board unanimously approved Board Resolution No. 01-2022 subject to technical corrections.	GHC Board	GHC Board	APPROVED
V. New Business:	A. <u>Open Government Law Training:</u> GHC Special Assistant reported that all the Board members are required to attend the Open Government Law Training. GHC Special Assistant sent the training link to all Board members to view the training		GHC Board	GHC Board	For Board's Action

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	<p>and to inform GHC's Admin Assistant via email once each member has completed the training.</p> <p>B. Request for Debt Settlement: Legal Counsel reported that Legal Counsel previously reported that former borrowers/debtors had defaulted on their loan and GHC foreclosed on their Mangilao property, pursuant to a private power of sale on September 28, 2004 provided in the Mortgage. After GHC foreclosed on the property, debtors relocated off-island and property was occupied by tenants leasing the property from the debtors. When GHC foreclosed on the property, the appraised value of the property \$96,000 and was less than the amount due on the mortgage in the amount of \$248,681.61. GHC sold the property taking a loss of \$152,681.61. GHC's Board of Directors instructed its legal counsel at the time to file an</p>	<p>The Board tabled this matter until the former borrowers/debtors provide the additional information requested by GHC Management and the Chairman.</p>	<p>GHC Board</p>	<p>GHC Board</p>	<p>Tabled pending further information from former debtors – borrowers</p>

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	<p>action for deficiency judgment against the debtors. GHC obtained a default judgment against the debtors from the Superior Court of Guam on July 9, 2006 in the amount of \$152,681.61, plus attorney fees and costs incurred and post judgment interest. In the past years, the former borrowers have not made any attempts to satisfy this obligation. More recently, the former borrowers have expressed an interest to resolve this post-deficiency action because they, along with other family members, are in a position to acquire significant proceeds from the sale of real property through an inheritance and/or probate case. Because GHC recorded an abstract of judgment with DLM, the former borrowers/debtors are unable to obtain clear title to the property in order to sell the property. They have submitted to an offer to GHC</p>				

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	<p>to resolve this deficiency action which Management and the Chairman have reviewed. Based on their review and discussions regarding the proposal, Management and the Chairman concluded that more information is needed from the former borrowers/debtors in order for GHC to respond to their settlement proposal. Legal Counsel further added that correspondence was sent to the former borrowers/debtors' realtor/agent on January 22, 2022 requesting this additional information be provided to Legal Counsel by January 26th for the Board's review and consideration. As of this date, Legal Counsel has not received the information from the former borrowers/debtors and recommended that the Board table this matter until more information is provided by the former borrowers as requested from Management and the Chairman.</p>				

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VI. Public Participation:	None.				
VII. Adjournment:		The Board scheduled their next Board meeting for Wednesday, February 25, 2022, at 12:00 p.m. Upon motion duly made, seconded, and without objections, the meeting was adjourned at 10:15 a.m.			

APPROVED AND ACCEPTED
AS TO FORM AND CONTENT:

GUAM HOUSING CORPORATION

By: _____

FRANCISCO FLORIG, Chairman

Date: 3/25/2022

MINUTES TRANSCRIBED
AND PREPARED BY:

LAW OFFICE OF CYNTHIA V. ECUBE, ESQ.

A Professional Corporation

By: _____

CYNTHIA V. ECUBE, ESQ.
Legal Counsel for Corporation

Date: 3/25/2022