



## South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: (803) 896-9001

TTY: (803) 896-8831

Donald R. Tomlin, Jr.  
Chairman

Bonita Shropshire  
Interim Executive Director

### REGULAR COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority met on Wednesday, June 20, 2018 at approximately 10:00 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners were in attendance:

Donald R. Tomlin, Jr., Chairman  
Robert D. Mickle, Jr.  
Bradley J. Allen  
Charles E. Gardner  
Chris Goodall  
Kenneth E. Ormand, Jr.  
Sue Ann Shannon  
Mary Sieck

Staff and Guests attending the meeting included the following:

**STAFF:** Bonita Shropshire, Interim Executive Director  
Anastasia Rodriguez, Interim Chief Financial Officer  
Renaye Long, Director of Marketing and Procurement  
Tracey Easton, General Counsel  
Steve Clements, Homeownership  
Laura Nicholson, Development  
Carl Bowen, Rental Assistance & Compliance  
Mikita Patel, Executive Assistant

**GUESTS:** Dan D'Alberto, D'Alberto Law Firm  
Stanislas Marguet, Tomlin & Associates  
Vicki Wilkes, SCDDSN

Chairman Tomlin called the meeting to order and recognized guests at the meeting. The Chairman then asked Bonita Shropshire to read into the record the Freedom of Information Statement.

"As required by the provisions of Section 30-4-80(e) of the Code of Laws of South Carolina, notification of this meeting has been given to all persons, organizations, local news media, and other news media which have requested such notifications."

**Agenda**

The Chairman asked if there were any additions or corrections to the proposed agenda.

**MOTION** Commissioner Shannon moved to approve the agenda as presented. The motion received a second from Commissioner Allen. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

**Minutes**

Chairman Tomlin asked if there were any additions or corrections to the minutes of June 20, 2018. There being none, the Chairman called for a motion to approve the minutes.

**MOTION** Commissioner Goodall moved to approve the minutes of June 20, 2018. The motion received a second from Commissioner Shannon. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

**Finance and Audit Committee****Presentation of the Review of Quarterly Financial Statements**

The Chairman called on Anastasia Rodriguez for presentation of the Review of Quarterly Financial Statements. Ms. Rodriguez presented the 3<sup>rd</sup> Quarter Financial Statements in final form and the 3<sup>rd</sup> Quarter Budget to Actuals in draft form. Ms. Rodriguez stated the Finance Department is in the process of changing the format of the Budget to Actual statements and will be presenting the FY 2020 Budget in the new format at the next Board Meeting on August 15, 2018.

The Board accepted the report as information.

**Bond Committee****MRB 2018A Final Resolution**

Chairman Tomlin called on Tracey Easton to present the MRB Final Resolution. Ms. Easton began by reminding the Board that they gave preliminary approval back on the May 16, 2018 board meeting. She explained that this Resolution is a request for approval of a bond issuance that will not exceed \$70,000,000. She stated that the bonds for Series 2018 A are expected to be tax-exempt bonds. Ms. Easton also stated that the State Fiscal Accountability Authority (SFAA) is expected to review the request at their scheduled meeting the following week and therefore the approval today will still be pending SFAA approval.

**MOTION** Commissioner Mickle moved to approve the Resolution as presented. The motion received a second from Commissioner Shannon. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

**Program Committee****HTF Financial Information**

Chairman Tomlin asked Laura Nicholson to present the Housing Trust Fund (HTF) Financial Information. Ms. Nicholson presented the HTF's financial report which included a fiscal year budget analysis, fiscal year-to-date awards by activity, and the fiscal year cash balance analysis. She stated that the cash balance as of April 30, 2018 was a little over \$26.1 million. Of that amount, \$6.6 million is committed to projects previously awarded but not yet funded; \$1.6 million is for project recommendations for this cycle and \$8.2 million for reserved funds for upcoming funding cycles. With these commitments the remaining unencumbered balance is \$9,594,255.64.

**Consideration of HTF Awards**

Ms. Nicholson continued the HTF report by presenting 16 Owner Occupied Rehabilitation proposals and 6 Group Home proposals, totaling 22 project proposals with total funds requested of \$1,662,000 for consideration.

**Owner-Occupied:**

Project No. 40118	Beaufort County Black Chamber of Commerce	\$89,000
Project No. 40218	Blackville CDC	\$44,500
Project No. 40318	Calvary Life Inspirations, CDC	\$89,000
Project No. 40418	CDIC	\$44,500
Project No. 40518	Community Assistance Provider	\$89,000
Project No. 40618	CURE	\$89,000
Project No. 40718	Empowered Personal Care	\$89,000
Project No. 40818	Freedom Empowerment	\$89,000
Project No. 40918	Grand Strand Housing & CDC	\$89,000
Project No. 41018	HBA CDC	\$44,500
Project No. 41118	Holistic Resource Crisis Intervention	\$89,000
Project No. 41218	Pageland Community Housing Organization	\$89,000
Project No. 41318	Southeastern Housing	\$44,500
Project No. 41418	United Way of Kershaw County	\$44,500
Project No. 41518	VEER, CDC	\$44,500
Project No. 41618	Williamsburg Enterprise	\$44,500

**Group Homes:**

Project No. 41718	Babcock Center, Inc.	\$99,500
Project No. 41818	Berkeley Citizens, Inc.	\$75,000
Project No. 41918	Berkeley Citizens, Inc.	\$75,000
Project No. 42018	Disabilities Board of Charleston	\$100,000
Project No. 42118	Disabilities Board of Charleston	\$100,000
Project No. 42218	Disabilities Board of Charleston	\$100,000

Ms. Nicholson concluded by asking for approval of the HTF financial report and awards request.

**MOTION** Commissioner Mickle moved to approve the HTF financial report and awards as proposed. The motion received a second from Commissioner Gardner. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

HTF FY 2019 Budget

Ms. Nicholson presented for approval the FY 2019 Housing Trust Fund program budget in the amount of \$15,900,686.00 of which \$1,113,048.00 would be used for administrative cost and \$14,787,638.00 in HTF activities. She concluded her presentation with the projected monthly receipts and recommended the FY 2019 budget for approval.

**MOTION** Commissioner Mickle moved to approve the FY 2019 HTF budget as presented. The motion received a second from Commissioner Allen. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Development Division Updates

Ms. Nicholson continued with four program updates from the Development division.

NHTF

Ms. Nicholson stated that the Authority will be receiving \$3,007,655 for the 2018 annual allocation of funds for the National Housing Trust Fund (NHTF) program, which will be set aside for rental and new construction. She specified that this is a \$7,655 increase over the 2017 allocation. These funds will be utilized in the Small Rental Development Program.

Home Update

Ms. Nicholson continued with an update of the 2018 HOME Program funding cycle. She stated that the Authority was notified by HUD that the 2018 annual allocation of funds for the HOME program would be \$6,988,276. She specified this is just a little over \$1.9 million of an increase from the previous year. These funds will be used in the Authority's Single Family Mortgage Program as well as the Small Rental Development Program and Voucher program.

Small Rental Development Program (SRDP)

Ms. Nicholson then provided a brief update on the Small Rental Development Program. She stated program staff has reviewed 9 applications and site reviews are being completed. Ms. Nicholson anticipates issuing Conditional Commitment Letters for awards by the first week in August.

LIHTC Update

Ms. Nicholson concluded her Development Division updates with the Low Income Housing Tax Credit (LIHTC) program. According to Ms. Nicholson tax credit applications were taken in March 2018 and 43 applications were received. She stated that staff has completed its review and underwriting analysis is underway; staff hopes to make awards by the beginning of August. She then reported that on March 23, 2018, President Trump signed into law the 2018 Omnibus Spending Bill (HR 1625) which ensued in a 12.5% increase in tax credit allocations every year for the next four years (2018-2021).

## **Homeownership**

### **Mortgage Production Update**

The Chairman asked Steve Clements for the Mortgage Production Update. Mr. Clements began his update by highlighting new loan reservations which totaled approximately \$12.5 million (net of cancellations), mortgage rates and origination fees, and down payment assistance data. Mr. Clement's update also captures \$9.98 million dollars in active reservations for the 2018 Palmetto Heroes program.

The Board accepted the report as information.

## **Reports**

### **Executive Director**

The Chairman asked the Executive Director for her report. Ms. Shropshire informed the Board that in light of the recent findings at Wardlaw Apartments by the City of Columbia's Code Enforcement Office and the Columbia Fire Marshal, she wanted to invite Carl Bowen and Laura Nicholson to join her in a discussion of the Low Income Housing Tax Credit (Tax Credit) properties at year 15. Ms. Nicholson explained that during the first 15 years of a Tax Credit property's compliance period, the owners must comply with the IRS' leasing requirements but that after year 15, this obligation no longer applies. Ms. Shropshire stated that most HFA's from around the country are also struggling on how to best manage Tax Credit properties that no longer have the IRS compliance obligation.

Ms. Shropshire continued her report with a brief update on the suspension of two construction contractors and one non-profit in the HTF Program due to several issues including inferior workmanship and the appearance of inappropriate dealings between the organizations. Ms. Shropshire then asked Ms. Laura Nicholson to provide further information.

## **Executive Session**

Chairman Tomlin called for a motion to enter executive session for the purpose of discussing a personnel matter.

**MOTION** Commissioner Mickle moved to enter executive session for the stated purpose. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

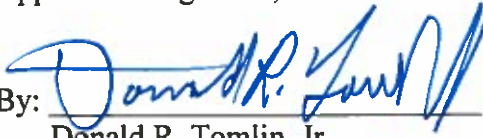
[EXECUTIVE SESSION]

Upon rising from executive session, the Chairman reported that there were no actions or votes taken. There being no additional business to come before the Board, Chairman Tomlin adjourned the meeting.

Respectfully submitted,

  
Bonita Shropshire, Secretary

Approved: August 15, 2018

By:   
Donald R. Tomlin, Jr.  
Chairman