



South Carolina State Housing Finance and Development Authority  
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Donald R. Tomlin, Jr.  
Chairman

Bonita H. Shropshire  
Executive Director

### REGULAR COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority met on Wednesday, March 20, 2019 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:

Robert D. Mickle, Jr., Vice-Chairman  
Bradley Allen  
Charles E. Gardner  
Kenneth E. Ormand, Jr.  
Mary Sieck

The following Commissioners were excused: Donald R. Tomlin, Jr., Chris Goodall and Sue-Ann Shannon.

Staff and Guests attending the meeting included the following:

**STAFF:**

- Bonita Shropshire, Executive Director
- Tracey Easton, General Counsel
- Anastasia Rodriguez, Internal Audit
- Carl Bowen, Rental Assistance & Compliance
- Renaye Long, Marketing & Procurement
- Steve Clements, Home Ownership
- John Tyler, Housing Initiatives & Innovation
- Jessica Lewis, Finance
- Bryan Grady, Research
- Ron Frye, Human Resources
- Ron Phillips, Rental Assistance & Compliance
- Kim Smith, Marketing
- Clayton Ingram, Marketing
- Sara Martinez, Legal
- Jennifer Cogan, Development
- Melissa Robinson, Rental Assistance & Compliance
- Audrey Wenhold, Rental Assistance & Compliance
- Bonnie Lybrand, Rental Assistance & Compliance

**STAFF CONT'D:** Sarah Shinsky, Executive Assistant

**GUESTS:** Allan Izzo, Steele Properties  
Emily Luther, Parker Poe  
Vicki Wilkes, SC Department of Disabilities & Special Needs

### **Freedom of Information Act Statement & Recognition of Guests**

Vice-Chairman Mickle called the meeting to order and asked the Executive Director 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.”

The Executive Director then recognized all guests.

### **Agenda**

Ms. Shropshire requested that the proposed agenda be amended to add the Preliminary Resolution for Fleetwood Manor and the 2018 Economic Impact and Investment Reports.

The Vice-Chairman presented the amended agenda for approval.

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

### **Minutes**

Vice-Chairman Mickle asked if there were any additions or corrections to the minutes of January 11, 2019, and January 23, 2019. There being none, he called for a motion to approve the minutes.

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

### **Rental Assistance**

#### **Resolution to adopt the PHA and Administrative Plans**

Vice-Chairman Mickle asked Carl Bowen to present the annual Public Housing Agency (PHA) and Administrative Plans.

Mr. Bowen explained that the annual PHA Plan serves as a planning tool and community guide to the Voucher Program's policies, programs, and procedures. He also reported that there were no significant operational changes in the FY 2019 annual PHA Plan. Mr. Bowen then described the Administrative Plan as a supporting document to the PHA plan as it defines the policies the Authority has adopted in each area where it has discretion and is the official policy upon adoption by the Board. According to Mr. Bowen's report, the annual PHA Plan was posted to the Authority's website for a 45-day public comment period, and a public hearing was held on February 20, 2019 and no comments have been received. Mr. Bowen stated that Staff is requesting approval of the FY 2019 annual PHA Plan and Administrative Plan so that they can both be submitted to HUD for approval.

**MOTION** Commissioner Allen moved to adopt the Authority's Annual (FY 2019) Plan and the supporting Administrative Plan. The motion received a second from Commissioner Gardner. All Commissioners voted in the affirmative and the motion carried.

#### Annual Project-Based Contract Administration Conflict of Interest Declaration

Mr. Bowen continued by presenting the Annual Project-Based Contract Administration (PBCA) Conflict of Interest Declaration. According to Mr. Bowen, HUD stipulates in the Annual Contributions Contract (ACC) that the Authority require any covered individual to disclose his, her or its interest or prospective interest in any contract, subcontract or other arrangement in connection with contract administration. Each member of the Board of Commissioners has been provided a copy of the Authority's Conflict of Interest Declaration which provides additional information concerning this requirement as well as HUD's definition of "immediate family member" and "covered individual or entity."

In order to comply with the requirements of the ACC, each Board member is asked to review the Conflict of Interest Declaration and check the appropriate box concerning such interest.

#### Bond Committee

The Vice-Chairman stated that there was not a quorum for the Bond Committee meeting previously scheduled for that morning and that all items on the Bond Committee Agenda were being brought to the full Board for consideration.

#### Preliminary Resolution – Fleetwood Manor

Sara Martinez presented the Fleetwood Manor Preliminary Resolution. According to Ms. Martinez, the Resolution provides for a new money bond issue for Fleetwood Manor Apartments in Greenville, SC. Ms. Martinez also reported that the application is for an acquisition and rehabilitation of 100 units receiving project-based rental assistance which will have a target population of family. She also stated that the property is located in a census tract that has been designated as a Qualified Opportunity Zone. Ms. Martinez concluded that staff recommends the approval of the resolution. Vice-Chairman Mickle asked if there were any additional questions or comments before calling for a motion.

**MOTION** Commissioner Allen moved to approve the Resolution. The motion received a second from Commissioner Gardner. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

#### MRB 2019A Update

Ms. Easton then provided a MRB 2019A update. In May 2018, the Board approved a preliminary resolution for the multiple series up to \$150,000,000. According to Ms. Easton's report, the SFAA gave their approval at their June 2018 meeting and reminded the Board of its final approval not to exceed \$70,000,000 in June 2018. Ms. Easton continued to explain that the Authority is currently working towards the MRB 2019A and do not anticipate exceeding the remaining authorization (i.e. no more than \$77,937,815), therefore no new resolution is needed. The Executive Director will be executing a Declaration of Official Intent which will permit the Authority to reimburse up to \$25,000,000 of expenditures prior to the expected bond issuance. No action is needed at this time.

### **Development**

#### Consideration of Housing Trust Funds

Vice-Chairman Mickle asked Ms. Easton to give the Housing Trust Fund (HTF) report. She began with a HTF financial report which included a budget analysis, fiscal year-to-date awards by activity, and the fiscal year cash balance analysis. She stated that the cash balance as of January 31, 2019 was over \$34 million. Of that amount, over \$14.8 million is committed to projects previously awarded but not yet funded, and \$1,017,500 is for project recommendations for this cycle. With these commitments, the remaining unencumbered balance is \$3,662,967.

Ms. Easton concluded the HTF report by presenting 8 project proposals with total funds requested of \$781,250. Ms. Easton stated that staff recommends approval by the Board.

**MOTION** Commissioner Sieck moved to approve the 8 projects in the amount of \$781,250. The motion received a second by Commissioner Allen. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

#### Tax Credit Update

Ms. Easton continued with a Tax Credit program update. According to Ms. Easton, the Authority received 33 Tax Credit applications with a deadline to submit by March 8, 2019, and noted that number was down from prior years. She stated that staff is currently reviewing the applications and has changed the manner in which the applications are scored. Team scoring will be used to review and score the applications. She also reminded the Board that developers are prohibited from contacting the Board during the scoring process and asked them to let herself or the Executive Director know if any developers participating in the Tax Credit program contacted them.

### SRDP Update

Ms. Easton remained before the Board to present an update on the Small Rental Development Program. She informed the Board that public comments and program manual had been posted to the agency's website. On Thursday, March 14, a program workshop was held at Embassy Suites where additional comments were received. The application submission deadline for the program is Friday, May 31.

### Homeownership

#### Mortgage Production Update

The Vice-Chairman asked Steve Clements for the Mortgage Production update. Mr. Clements presented the Mortgage Production and Servicing division updates highlighting loan volume, mortgage rates and origination fees, and delinquency and down payment assistance data. Mr. Clements concluded with figures from the Hardest Hit Fund Down Payment Assistance program.

### Resolution – Fair Housing Month

Vice-Chairman Mickle called on Renaye Long to present the Fair Housing Month Resolution. Ms. Long explained that the month of April is nationally recognized as Fair Housing Month. She gave a brief history on the origin of the Fair Housing Act which seeks to eliminate housing discrimination with regard to race, color, national origin, religion, sex, familial status, or disability. Ms. Long explained that adoption of the Resolution shows that the Board continues to support the efforts of fair housing opportunities throughout the state and nation.

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

#### Economic Impact Report and Investment Report

Clayton Ingram presented the 2018 Economic Impact and Investment Reports. Mr. Ingram gave a thorough overview of both reports, highlighting some of the agency's program data by congressional districts and the economic impact the programs have made in the State. He also shared how the reports are used and distributed. Mr. Ingram pointed out that the data in the reports has again been analyzed and vetted with the assistance of Dr. Joey Von Nessen with the University of South Carolina's Darla Moore School of Business.

The Board accepted the reports as information.

### Housing Needs Assessment Presentation

The Vice-Chairman called on Bryan Grady for the Housing Needs Assessment Presentation. Mr. Grady's presentation included an in-depth review of data by county associated with population growth, housing affordability and eviction rates. The report was well received and accepted as information by the Board.

## Reports

There was no Chairman Report; however Vice-Chairman Mickle used this time to remind the Commissioners of the 2019 Statement of Economic Interests that need to be filed with the SC Ethics Commission by March 30, 2019.

### Executive Director

The Vice-Chairman called upon Bonita Shropshire for the Executive Director's report. Ms. Shropshire began by introducing her new assistant, Sarah Shinsky. She went on to share that she and Commissioner Ormand attended NCSHA's Legislative Conference March 10 – 13, 2019. Ms. Shropshire concluded her report with an update on everything the Authority is doing to continue efforts to cultivate relationships with various external organizations.

### Internal Audit

Vice-Chairman Mickle asked Anastasia Rodriguez for the Internal Audit report. Ms. Rodriguez began the report with a review of the Housing Choice Voucher (HCV) Program. According to Ms. Rodriguez, her review includes recommendations for staffing levels, potential salary compression issues, succession planning, and resources to provide more automated processes. The program should also consider managing its customer service levels in line with resources provided and management needs to ensure staff can complete their work during working hours in balance with being available for unanticipated interruptions. In addition, the Authority should work to provide adequate grant financial management to provide support for reporting financial information to HUD and that the reporting sent to HUD is reconciled to the Finance Department's records.

Ms. Rodriguez continued with an update of the SIGTARP and Treasury reviews. SIGTARP released its latest report on March 7, 2019, where SC Housing was mentioned in the report. According to Ms. Rodriguez, Internal Audit does not recommend any further action by the Authority at this time.

Ms. Rodriguez then gave an update on the Treasury Review. According to Ms. Rodriguez, Treasury was onsite the week of February 11 – 15, 2019, conducting a review of the HHF programs - SC HELP and Neighborhood Initiative Program (NIP). At the end of the review, we were presented with 13 minor observations with over half of the observations being addressed prior to Treasury's departure on the Feb. 15. Due to the observations, Treasury assigned an additional period of review to Internal Audit that must be completed within 90 days of Treasury's departure. This work is currently underway.

The Board accepted the report as information.

### Finance

The Vice-Chairman then called upon Jessica Lewis to give the Finance report. Ms. Lewis presented the agency's balance sheets ending December 31, 2018. Commissioners thanked Ms. Lewis for the financial tick marks commenting on how helpful they were.

The Board accepted the report as information.

HR

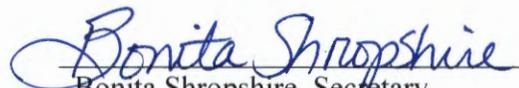
Vice-Chairman Mickle called upon Ron Frye to give the HR report. Mr. Frye gave a brief overview of the current postings for open positions within the agency and current recruiting methods. He then gave a brief overview of the agency's Internship Program.

The Board accepted the report as information.

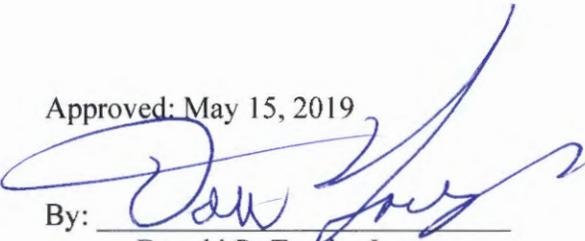
Other Business

There being no additional business to come before the Board, Vice-Chairman Mickle adjourned the meeting.

Respectfully submitted,

  
Bonita Shropshire, Secretary

Approved: May 15, 2019

By: 

Donald R. Tomin, Jr.  
Chairman