



South Carolina State Housing Finance and Development Authority
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Robert D. Mickle, 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, August 21, 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., Chairman
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, Executive Director
Tracey Easton, General Counsel
Renaye Long, Marketing and Procurement
Steve Clements, Homeownership
Sara Martinez, Development
John Tyler, Housing Initiatives & Innovation
Bryan Grady, Research
Paul Linhardt, Finance
Clayton Ingram, Marketing
Kim Smith, Marketing
Kim Spires, Servicing
Felicia Kilgore, Development
Sarah Shinsky, Executive Assistant

GUESTS: Sam Howell, Howell Linkous & Nettles, LLC

Chairman Mickle called the meeting to order and asked Executive Director, Bonita Shropshire to recognize guests at the meeting. The Chairman then asked Ms. 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 Allen moved to approve the agenda as presented. The motion received a second from Commissioner Shannon. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Minutes

Chairman Mickle asked if there were any additions or corrections to the minutes of the June 19, 2019, meeting. There being none, the Chairman called for a motion to approve the minutes.

MOTION Commissioner Allen moved to approve the minutes of June 19, 2019. The motion received a second from Commissioner Shannon. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Bond Committee

Preliminary Resolution MRB Series 2019B

The Chairman called on Tracey Easton to present MRB Series 2019B Preliminary Resolution. Ms. Easton reported this Resolution makes preliminary provision for approval of a bond issuance/refunding not exceeding \$250,000,000. Ms. Easton also reported the bonds for Series 2019B (or such other numbering convention as may be necessary) may be tax-exempt and/or taxable bonds. According to Ms. Easton, this Resolution makes provision for submission of the request to the State Fiscal Accountability Authority for their approval. Ms. Easton added this Resolution provides for the Authority to sell bonds, execute a Purchase Contract and distribute Preliminary and Final Official Statements in addition to general authority not inconsistent with the intent of the Resolution. She reported that this Resolution permits a portion to be used for reimbursement bonds of up to \$250,000,000. According to Ms. Easton, the intent of this Resolution is to permit the 2019 B bonds to be issued and possibly 2020 A or 2020 B bonds at a later date. She informed the Board that the Staff recommends approval of the resolution.

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

Bond Amendments

Ms. Easton continued by requesting consideration of Resolutions making amendments to indentures of trust and loan agreements for three multifamily bond transactions: Ashley Arms, Willow Run and Columbia Gardens. She added the proposed amendments to the indentures and agreements help effect a transfer of the properties to a new ownership structure and replaces the guaranties with those guaranteed by members of the new ownership structure. Ms. Easton reported that staff recommends approval of the resolutions.

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

Finance and Audit Committee

Consideration of the Fiscal Year 2021 Budget

The Chairman called on Paul Linhardt to present the FY 2021 Budget. Mr. Linhardt presented the proposed FY 2021 State Spend Authority Budget and indicated it is more expense focused than revenue. Mr. Linhardt reported that there were no changes from the Budget Draft presented on June 19, 2019, other than the renaming of the proposed column to approved.

MOTION Commissioner Allen moved to approve the Fiscal Year 2021 Budget. The motion received a second from Commissioner Sieck. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Development Division Updates

Mr. Chairman asked Sara Martinez to give a Development Division update.

Low Income Housing Tax Credit Program

Ms. Martinez gave a Tax Credit program update. According to Ms. Martinez, applicants were notified of their preliminary point scores in July and several applicants requested a reconsideration review. Ms. Martinez reported that after the reconsideration process, staff will post the final point score list and anticipates completing this process by mid-September. Ms. Martinez added that simultaneously with efforts to close out the 2019 LIHTC funding round, staff has been working diligently to prepare for the upcoming 2020 LIHTC funding round. Ms. Martinez added that the annual tax credit developer roundtable will be held on Thursday, August 29. She added that at this meeting, staff will present innovative ideas under consideration for the 2020 QAP and will receive comments from agency partners and that an initial draft that will be presented to the Board at its September 18, 2019 meeting.

Small Rental Development Program

Ms. Martinez continued her update reporting that staff is completing its review of the seven applications received under the 2019 SRDP application round. She added that clarification letters have been sent out to resolve deficiencies and underwriting is completing its review. Ms. Martinez reported awarded applications will be funded with a combination of SC Housing Trust Fund, National Housing Trust Fund and HOME Investment Partnerships Program funds. She added that staff will be making awards prior to September 12, 2019 in order to meet HUD's commitment deadline for the National Housing Trust Fund.

Housing Trust Fund

Ms. Martinez reminded the Board that the staff had elected to postpone the release of all FY20 Housing Trust Fund (HTF) manuals and applications until later this year. She added that this will allow the new HTF Manager time to review agency programs and make appropriate changes to align them with the Housing Needs Assessment. Ms. Martinez reported applications are continuing to be accepted utilizing the FY 2019 guidance until the final FY 2020 manuals and applications are released. Additionally, the approved nonprofit designations have been extended until the FY 2020 Nonprofit Participation Application is released and the application submission deadline has been announced.

Homeownership

Mortgage Production Update

The Chairman asked Steve Clements for the Mortgage Production Update. Mr. Clements began by highlighting new loan reservations for the month of July, which totaled approximately \$23.8 million in new reservations (net of cancellations) and \$960,000 in down payment assistance. This translates to 114 new homeowners. Mr. Clements continued with his regular updates on Hardest Hit Fund and the Palmetto Heroes Program. Mr. Clements concluded with agency default and foreclosure rate.

The Board accepted the report as information.

Housing Needs Assessment Update

The Chairman called on Dr. Bryan Grady for the Housing Needs Assessment (HNA) presentation. Dr. Grady gave a thorough overview of the finalized HNA. Clayton Ingram, Communications Manager, provided the communications plans for the launch of the HNA through various media outlets, social media, Constant Contact, etc.

The Board accepted the report as information.

Executive Session

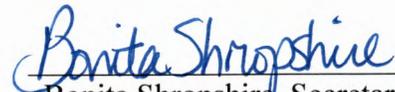
With no other business, Chairman Mickle called for a motion to enter executive session.

MOTION Commissioner Shannon moved to enter executive session for the purpose of discussing a personnel issue and a legal matter. The motion received a second from Commissioner Allen. 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 Mickle adjourned the meeting.

Respectfully submitted,



Bonita Shropshire, Secretary

Approved: September 18, 2019

By: 

Robert D. Mickle, Jr.
Acting Chairman

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