



South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd., Columbia, South Carolina 29210
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Robert D. Mickle, Jr.
Chairman

Bonita H. Shropshire
Executive Director

TELEPHONIC COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority convened a telephonic meeting on Wednesday, March 18, 2020, at approximately 10:00 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners participated in the call:

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

The following Commissioner was excused: Myra C. Reece

Staff and Guests attending the meeting included the following:

STAFF: Bonita Shropshire, Executive Director
Tracey Easton, General Counsel
Carl Bowen, Rental Assistance and Compliance
Steve Clements, Homeownership
John Tyler, Housing Initiative and Innovation
Renaye Long, Communications
Bryan Grady, Research
Jennifer Cogan, Development
John Morrison, Finance
Flora Wingard, Finance
Sarah Shinsky, Executive Assistant

GUESTS: Sam Howell, Linkous & Nettles
Rion Foley, Burr Forman McNair
Eric Fosmeyer, Disaster Recovery Office
Scott Sharp, Disaster Recovery Office
Alisa Moseley, Affordable Housing Coalition of SC

Freedom of Information Act Statement

Chairman Mickle called the meeting to order and 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

Chairman Mickle presented the agenda and asked if there were any amendments or corrections. Ms. Shropshire asked for the Minutes to reflect several changes to the Agenda. The Board Meeting location was changed from Rock Hill, SC, back to Columbia, SC, and the start time was changed from 9:30 a.m. to 10:00 a.m. In addition, she asked that the agenda to be updated to reflect that Jennifer Cogan, Acting Development Director, would be giving reports IV. D. 2, 3 and 4. Finally, Ms. Shropshire asked that they Board give permission to change all the locations shown throughout the Board materials from York County to Lexington County due to the location change of the meeting. Noting these changes, Chairman Mickle called for a motion to approve the revised agenda.

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

Minutes

The Chairman asked if there were any additions or corrections to the minutes of January 15, 2020. There being none, he called for a motion to approve the minutes.

MOTION Commissioner Ormand moved to approve the minutes of January 15, 2020, as presented. The motion received a second from Commissioner Sieck. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Rental Assistance**Resolution to adopt the PHA and Administrative Plans**

Chairman Mickle called upon Carl Bowen to present the Public Housing Agency Plan. Mr. Bowen began by describing the Section 8 Housing Choice Voucher Program Public Housing Agency (PHA) Five-Year (2021-2025) Plan, 2021 Annual Plan and the Administrative Plan. Mr. Bowen explained that the PHA Five-Year plan describes the Authority’s mission and long-range goals and objectives for managing the Housing Choice Voucher Program over a five-year period. In his report, he also described the Administrative Plan as a supporting document that further explains the policies that Authority Staff have adopted in each area where it has discretion. The final document, the 2021 Annual Plan is required to be submitted each year within the five-year period.

According to Mr. Bowen's report, the Five -Year PHA Plan and Annual Plan were posted to the Authority's web site for a 45-day public comment period, and a public hearing was held on February 19, 2020, and no comments were received. Mr. Bowen stated that Staff is requesting approval of the PHA Five-Year and 2021 Annual Plan so that they can both be submitted to HUD for approval. Chairman Mickle inquired whether there have been any significant changes with either the five-year plan or the annual plan. Mr. Bowen explained that while HUD will make regulatory changes from time to time that will be incorporated into the plan, how the agency administers the plan is fairly consistent.

There being no further discussion, the Chairman called for a motion to approve the resolution.

MOTION Commissioner Ormand moved to adopt the Authority's Annual (FY 2021) 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 will be 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, sign and return as soon as possible.

Bond Matters

Final Resolution – MRB 2020A

Chairman Mickle called on Tracey Easton to present the Final Resolution – MRB 2020A. Ms. Easton explained that this Resolution makes final provision for approval of a bond issuance not exceeding \$120,000,000. She further explained that the bonds for Series 2020A are expected to be tax-exempt bonds. Ms. Easton shared that this Resolution provides for approval of the supplemental resolution present in substantially final format with changes as may be approved by the Executive Director. She reported that the preliminary resolution was approved at the January 15, 2020 meeting and the issuance was approved by the State Fiscal Accountability Authority at their February 4, 2020 meeting. Staff recommends approval of the resolution.

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

Northside Final Resolution

The Chairman asked Ms. Easton to present the final resolution for Northside Apartments. Northside Apartments is a new money issuance for a new construction project in Spartanburg, SC. This development will have 90 units and a target population of family. It will utilize not exceeding 10 million dollars aggregate principal amount of multifamily rental housing revenue bonds. Staff recommends approval of this resolution.

The Chairman called for a motion to approve the resolution.

MOTION Commissioner Ormand 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.

Development Division

Allocation to Disaster Recovery Office

The Chairman asked Ms. Easton to present the Resolution regarding Allocation to the Disaster Recovery Office. Ms. Easton reported that the Authority previously provided \$1,000,000 in funding to the South Carolina Disaster Recovery Office (DRO) to assist with disaster recovery of housing for affected South Carolina citizens due to the flood and subsequent hurricane caused flooding. She explained that the DRO has requested \$3,000,000 to be provided as matching funds so they may complete the current backlog of housing recovery. Ms. Easton added that DRO will use \$10,000 of SC Housing Trust Fund's funding for each home to be used for "sticks and bricks" only. She went on to say that this will assist with at least another 300 homes. Ms. Easton shared that DRO will be required to do reporting in order to submit for a draw. Ms. Easton stated that staff recommends approval of the Resolution by the Board. Chairman Mickle asked Ms. Easton if the required reporting was done to Agency standards during the previous allocation of funds. Ms. Easton informed the Board that all reporting was done in a timely and complete manner. Chairman Mickle went on to ask how many counties would be involved with this work. Ms. Shropshire reported that there are approximately fifteen counties involved.

After some discussion, Chairman Mickle asked if there were any other questions. There being none, he called for a motion.

MOTION Commissioner Goodall moved to approve the Resolution. The motion received a second from Commissioner Shannon. All Commissioners voted in the affirmative and the motion carried.

Consideration of Housing Trust Funds

Chairman Mickle informed the Board that he is recusing himself from the consideration of Housing Trust Fund awards. Chairman Mickle reported that one of the potential recipients could be partnering with the church that he attends. Chairman Mickle asked Vice-Chairman Shannon to lead the group through this agenda item. Vice-Chairman Shannon called on Jennifer Cogan to present the Consideration of Housing Trust Funds (HTF).

Ms. Cogan presented 9 proposals with total funds requested of \$682,817. These proposals are grouped as follows:

- Eight owner-occupied rehabilitation proposals for \$599,500
- One supportive housing proposal for \$83,317

Owner-Occupied Rehabilitation

Project Number: HTF-20331 HTF Amount: \$54,500

Allendale County ALIVE

The Sponsor proposes to rehabilitate two houses for families within the following county: Allendale.

Project Number: HTF-20332 HTF Amount: \$54,500

Community Assistance Provider

The Sponsor proposes to rehabilitate two houses for families within the following counties: Fairfield and Kershaw.

Project Number: HTF-20333 HTF Amount: \$109,000

Freedom Empowerment Building Program

The Sponsor proposes to rehabilitate four houses for families within the following counties: Berkeley, Charleston and Georgetown.

Project Number: HTF-20334 HTF Amount: \$109,000

Habitat for Humanity of York County

The Sponsor proposes to rehabilitate four houses for families within the following county: York.

Project Number: HTF-20335 HTF Amount: \$54,500

Jasper County Neighbors United

The Sponsor proposes to rehabilitate two houses for families within the following county: Jasper.

Project Number: HTF-20336 HTF Amount: \$81,750

Rebuild Upstate

The Sponsor proposes to rehabilitate three houses for families within the following county: Greenville.

Project Number: HTF-20337 HTF Amount: \$109,000

Ridgeville Community Resource Center

The Sponsor proposes to rehabilitate four houses for families within the following counties: Berkeley and Dorchester.

Project Number: HTF-20338 HTF Amount: \$27,250

Vision of Hope, CDC

The Sponsor proposes to rehabilitate one house for a family within the following county: Charleston.

Supportive Housing

Project Number: HTF-20339

HTF Amount: \$83,317

Community Assistance Provider

The Sponsor proposes new construction of a three bedroom dwelling for a family within the following county: Richland.

HTF Financial Report

Ms. Cogan presented the HTF's 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, 2020, was a little over \$43.8 million. Of that amount, \$12.8 million is committed to projects previously awarded but not yet funded and \$844,349 are in project recommendations for this cycle. Ms. Cogan noted that the Fund's remaining unencumbered cash balance was approximately \$29,037,972.

Ms. Cogan stated that Staff recommended approval of the HTF Budget and Project Awards.

MOTION Commissioner Ormand moved to approve the HTF Budget and Project Awards. The motion received a second from Commissioner Sieck. There being no further discussion, all Commissioners voted in the affirmative, except Chairman Mickle who recused himself from the vote. The motion carried. Vice-Chairman Shannon returned the Chair to Chairman Mickle.

Small Rental Development Program

Ms. Cogan continued her report on Small Rental Development Program (SRDP). She stated that SC Housing staff held its annual SRDP workshop on March 5, 2020. She added that there were 55 attendees. Ms. Cogan completed this portion of her report by sharing that Tier I applications are due May 13 – 15 and Tier II applications are due July 29 – 31. Chairman Mickle inquired as to whether these deadlines might be extended due to the Coronavirus (COVID-19). Ms. Cogan and Ms. Shropshire both agreed that this is something that is being considered.

Low Income Housing Tax Credit

Finally, Ms. Cogan gave an update on Low Income Housing Tax Credit (LIHTC). She shared that SC Housing staff held its annual Tax Credit Application workshop on February 19, 2020. She stated that there were approximately 85 attendees. She added the items discussed were scoring criteria, along with, forms and exhibits to be included at initial application. Ms. Cogan informed the Board that applications are due by close of business on April 24, 2020. She added that there is a possibility that this deadline will be extended due to COVID-19. Ms. Cogan explained that staff continues to work through developer questions and clarifications related to the 2020 QAP. There was further discussion on how that extension would be determined and the importance of that timing.

The Board accepted this report as information.

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 February, which totaled approximately \$18.4 million (net of cancellations). He added that first mortgage loan purchases totaled \$15.6 million with \$930,000 in down payment assistance provided. This translates to 116 new homeowners. Mr. Clements reported that SC Housing's current interest rate for FHA bond loans is 3.375% and 3.625% for Conventional. Current market rates are approximately 3.375% for FHA and 3.625% for Conventional. He then continued with updates on Hardest Hit Fund Down Payment Assistance. Mr. Clements reminded the Board that this program is anticipated to end by March 31, 2020. Finally, Mr. Clements reported that while staff was planning to begin the 2020 Palmetto Heroes program and the County First Pilot program in April, both of these programs will be delayed until later in the year due to COVID-19.

The Board accepted this report as information.

Resolution – Fair Housing Month

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 Shannon. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Executive Director

Chairman Mickle called on Ms. Shropshire for the Executive Director report. Ms. Shropshire began her report by welcoming new Chief Financial Officer, Ellen Eudy. She shared Ms. Eudy's experience and background as a CFO. Ms. Shropshire then continued her report by outlining the work the agency has been doing to update business continuity plans and ways to keep the agency running while allowing as many employees to telecommute as possible. She thanked the Senior Directors for getting their plans submitted in a timely fashion and the entire staff for their dedication to this agency and ensuring that our customers are taken care of through these trying times. Ms. Shropshire then shared that she was asking each of our commissioners to confirm the method that they receive correspondence to their agency email addresses. This request is in answer to a concern shared during the recent climate survey conducted by the State Inspector General's Office. She went over the options that were available and informed them that they would be receiving this following this meeting and asked that they return this as soon as possible. Ms. Shropshire then gave the remainder of her time to John Tyler to give an update on his work down at the Statehouse with the State Tax Credit. Mr. Tyler summarized the activity of

this bill in both the House and the Senate. He explained that it is expected that this will pass and will drastically increase the production of affordable housing in South Carolina.

The Board accepted the report as information.

Finance Quarterly Report

Chairman Mickle then called upon John Morrison to give the Finance report. Mr. Morrison presented the agency's second quarter balance sheets ending December 31, 2019. He provided information on the variances between FY19 and FY20.

The Board accepted the report as information.

HR Quarterly Update

The Chairman called on Tracey Easton to provide the HR Quarterly Report. Ms. Easton shared information on the agency's current staffing levels and open positions. She went on to share an update on employee activities at the agency.

The Board accepted the report as information.

The Chairman asked if there were any other new business or comments for discussion.

Adjournment

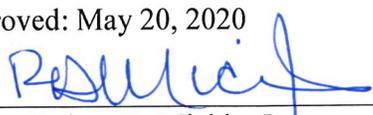
There being no additional business to come before the Board, Chairman Mickle called for a motion to adjourn.

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

Respectfully submitted,


Bonita H. Shropshire
Secretary

Approved: May 20, 2020

By: 
Robert D. Mickle, Jr.
Chairman

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Approved: May 20, 2020

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Chairman