



## South Carolina State Housing Finance and Development Authority

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

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Donald R. Tomlin, Jr.  
Chairman

Valarie M. Williams  
Executive Director

### REGULAR COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority met on Tuesday, March 15, 2017 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., Vice 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:** Valarie M. Williams, Executive Director  
Ed Knight, Deputy Director of Programs  
Richard Hutto, Deputy Director of Administration  
Tracey Easton, General Counsel  
Carl Bowen, Rental Asst. & Compliance  
Laura Nicholson, Development  
James Galluzzo, HR  
Steve Clements, SC HELP & Mortgage Production  
Lisa Rivers, Mortgage Servicing  
Reggie Bell, Marketing & Procurement  
Del Collins, I.T.  
Kim Wilbourne, SC HELP  
Mike Ujcich, AAC  
Sherri Miller, Mortgage Servicing  
Yolanda Dennison, Rental Assistance  
Ophelia Hinton, Mortgage Servicing  
Brandi Fisher, Mortgage Servicing  
Steve Holley, I.T.  
Bonita Shropshire, Executive Assistant

**GUESTS:** Raymond High, Citigroup  
Kathy Li, GK Baum  
Greg Thomas, Habitat  
Chad Charles, Habitat  
Angie Crum, RCRC  
Rev. Chris Smith, RCRC  
Kenneth Munsin, RCRC  
Vicki Wilkes, SCDDSN

Chairman Tomlin called the meeting to order and asked Valarie Williams 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 presented the agenda for approval.

**MOTION** Commissioner Mickle moved to adopt the agenda as presented. The motion received a second from Commissioner Goodall. 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 January 20, 2016. There being none, he called for a motion to approve the minutes.

**MOTION** Commissioner Sieck moved to approve the minutes of January 18, 2017 as presented. The motion received a second from Commissioner Shannon. There being no discussion the motion carried.

### **MRB Series 2017A Pricing Review**

Chairman Tomlin called on Raymond High with Citigroup for a presentation of the recent bond transaction. Mr. High gave a comprehensive summation of the refunding and reviewed a pricing book compiled by Citigroup which included a financing overview.

The Board accepted the report as information.

### **IT Penetration Test Briefing**

Chairman Tomlin asked for the Information Technology Penetration Test briefing from Mr. Mike Ujcich. Before his presentation, Executive Director Williams provided a brief introduction on Mike Ujcich. According to Ms. Williams, Mr. Ujcich is the I.T. Lead Consultant from Advanced Automation Consultant Group (ASC) out of Columbia. Ms. Williams reported that Mr. Ujcich has worked with staff on the hiring of the I.T. Director and the state mandated I.T. security guidelines.

Mr. Ujcich began by providing a brief overview of the initial security assessment and information on SeNet International Corporation, the company that was contracted to perform the penetration test (pen test) on the agency. According to Mr. Ujcich, SeNet performed both an external and internal pen test in the fall of 2016 and has provided a full detailed report of findings, risks, and recommendations. Mr. Ujcich stated that based upon the severity of the findings, the I.T. division created an action plan to remediate the discovery - addressing critical items immediately and prioritizing the remaining items into work plans for completion. Before concluding, Mr. Ujcich reported that SeNet's contract includes quarterly external vulnerability scans and annual penetration tests for the next four years.

The Board accepted the report as information.

## **Program Committee**

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

Chairman Tomlin asked Carl Bowen to present the annual Public Housing Agency (PHA) and Administrative Plans. Mr. Bowen began with a very thorough summary of the Section 8 Housing Choice Voucher Program (Voucher Program). According to Mr. Bowen's report, the Authority administers the Voucher Program on behalf of HUD to approximately 2,000 families in seven S.C. counties.

Mr. Bowen then presented the FY 2018 Public Housing Agency (PHA) plan and the Administrative Plan. He explained that the annual PHA Plan serves as a planning tool and community guide to the Voucher Program's policies, programs, and procedures. He reported that there were no significant operational changes in the FY 2018 annual PHA Plan. Mr. Bowen then described the Administrative Plan as a supporting document the PHA plan and 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 were posted to the Authority's website for a 45-day public comment period, and a public hearing was held on March 1, 2016<sup>7</sup> and no comments have been received. Mr. Bowen stated that Staff is requesting approval of the FY 2018 annual PHA Plan and Administrative Plan so that they can both be submitted to HUD for approval. Commissioner Mickle stated that the Program Committee considered the proposed Plans and recommends approval by the full Board.

**MOTION** Commissioner Mickle moved to adopt the Authority's Annual (FY 2018) Plan and the supporting Administrative Plan. The motion did not require a second. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

### **Resolution for Habitat Funding**

Chairman Tomlin asked Ed Knight to present the next Resolution. Mr. Knight presented a Resolution that would allow the Authority to allocate \$250,000 to Habitat for Humanity affiliates. Mr. Knight explained that the Habitat affiliates will use the funds to build up to ten (10) homes. Mr. Knight also stated that the funds would be allocated from the Housing Trust Fund's disaster initiative. According to Mr. Knight, the agreement further stipulates that only high performing Habitat affiliates are eligible receive funds. Mr. Knight recognized two Habitat members, Mr. Greg Thomas and Mr. Chad Charles. Mr. Knight stated that staff recommends

approval of the Resolution. Commissioner Mickle stated that this request had been discussed during the Program Committee meeting and he recommends approval by the full Board.

**MOTION** Commissioner Mickle moved to approve the Resolution. The motion did not require a second. After a brief discussion, all Commissioners voted in the affirmative and the motion carried.

#### Consideration of Housing Trust Fund

Chairman Tomlin called upon Laura Nicholson for the Housing Trust Fund (HTF) report. Ms. Nicholson 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, 2017 was over \$19 million. Of that amount over \$9.6 million is committed to projects previously awarded but not yet funded, and \$1.6 million is for project recommendations for this cycle. With these commitments, the remaining unencumbered balance is \$3,486,207.48.

Ms. Nicholson concluded the HTF report by presenting 18 project proposals with total funds requested of \$1,423,250. Commissioner Mickle stated that this request had been discussed during the Program Committee meeting and he recommends approval by the full Board.

**MOTION** Commissioner Mickle moved to approve the 18 projects in the amount of \$1,423,250. The motion did not require second. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

#### Owner-Occupied Rehabilitation

Project No. 31817	Allendale County ALIVE, Inc.	\$44,500
Project No. 31917	Community Assistance Mentoring Program	\$66,750
Project No. 32017	Community Assistance Provider	\$89,000
Project No. 32117	CORE Academy	\$44,500
Project No. 32217	C.U.R.E.	\$44,500
Project No. 32317	Grand Strand Housing & CDC	\$44,500
Project No. 32417	Holistic Resource Crisis Intervention Outreach Services	\$89,000
Project No. 32517	Housing Development Corporation of Rock Hill	\$44,500
Project No. 32617	New America Corporation	\$66,750
Project No. 32717	SC Uplift Community Outreach	\$89,000
Project No. 32817	United Way of Kershaw County	\$44,500
Project No. 32917	VEER, CDC	\$66,750
Project No. 33017	Williamsburg Enterprise Community Commission, Inc.	\$89,000

#### Group Homes for the Disabled

Project No. 33117	CHESCO Services	\$75,000
Project No. 33217	Community Options, Inc.	\$75,000
Project No. 33317	Florence County DSNB	\$75,000
Project No. 33417	The Charles Lea Center, Inc.	\$75,000

#### Supportive Housing

Project No. 33517	Homes of Hope	\$300,000
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**Development****Tax Credit Update**

Ms. Nicholson continued with a brief Tax Credit program update. According to Ms. Nicholson the Authority received 35 Tax Credit applications. Ms. Nicholson stated that staff is currently reviewing the applications for completeness and anticipates an allocation of \$11.4 million for 2017. The Board accepted the report as information.

**Marketing****2017 Palmetto Affordable Housing Forum**

The Chairman asked for the 2017 Palmetto Affordable Housing Forum (Forum) presentation. Reggie Bell reported that this year's Forum would be held April 18 – 19 at the Columbia Metropolitan Convention Center and themed "A Common Purpose: Affordable Housing." Mr. Bell gave a brief overview of the Forum agenda, highlighting new sessions and sessions that can receive continuing educational credits. He also gave a preview of some of the Forum speakers and reminded the Commissioners of the SC Housing Achievement and Coloring/Essay Awards Luncheon to be held on the second day of the event.

The Board accepted the report as information.

**Resolution – Fair Housing Month**

Mr. Bell continued the Marketing report by presenting the Fair Housing Month Resolution. Mr. Bell explained that the month of April is nationally recognized as Fair Housing Month. He 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 handicap. Mr. Bell 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 Mickle 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.

**SC HELP Update**

The Chairman asked Kim Wilbourne for the SC HELP update. Ms. Wilbourne began the SC HELP report with updated program figures that detailed the total number of applicants and funds committed and expended. According to Ms. Wilbourne monthly disbursements were consistent. She reported that staff continues to work with the SC Department of Employment Workforce (DEW) to meet with employees who are facing announced or pending layoffs. At the conclusion of her report, Ms. Wilbourne also informed the Board that Treasury completed a compliance review the week of February 13th and it was very positive with four minor observations.

The Board accepted the report as information.

## **Mortgage Production Update**

Mr. Clements also presented a mortgage production update; highlighting loan volume which totaled approximately \$11.9 million (net of cancellations), mortgage rates and origination fees, and down payment assistance data.

The Board accepted the report as information.

## **Reports**

### **Executive Director**

Chairman Tomlin called upon Valarie Williams for the Executive Director report. Ms. Williams began with brief remarks on the agency's mortgage production numbers, noting that the agency has not seen mortgage production numbers like this in a very long time. The Executive Director continued her report with an overview of the NCSHA Legislative Conference held in Washington, D.C. March 6 - 8, 2017, highlighting the new Secretary of HUD's, Ben Carson, visit and briefing at the conference. She also mentioned several national housing related topics that are trending and the relativeness to SC Housing's program. Ms. Williams concluded by informing the Commissioners that the May 17<sup>th</sup> Board meeting would be held in Spartanburg, SC. In addition to the board meeting, the Board will take a tour of a neighborhood redevelopment initiative in the City of Spartanburg.

### **HR Director**

Chairman Tomlin called for the Human Resources report. Mr. Galluzzo briefly highlighted the HR staffing data and then allowed division managers to introduce the new hires, promotions, and transfers within their departments. He then recognized the final two participants in the SC Housing Leadership Development Program; Yolanda Dennison and Ophelia Hinton.

### **Deputy Director for Administration**

The Chairman called on Richard Hutto to present the Finance report. Mr. Hutto presented the agency's balance sheets ending December 31, 2016.

## **Executive Session**

The Chairman called for a motion to enter executive session for the purpose of discussing a legal matter.

**MOTION** Commissioner Allen 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.

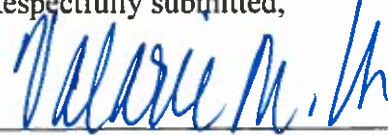
[EXECUTIVE SESSION]

Upon rising from executive session, the Chairman reported that there were no actions or votes taken.

**Other Business**

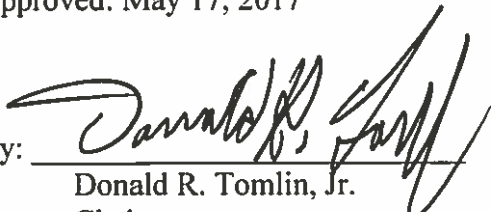
There being no additional business to come before the Board, Chairman Tomlin adjourned the meeting.

Respectfully submitted,



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Valarie M. Williams, Secretary

Approved: May 17, 2017

By:   
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Donald R. Tomlin, Jr.  
Chairman

Upon rising from executive session, the Chairman reported that there were no actions or votes taken.

**Other Business**

There being no additional business to come before the Board, Chairman Tomlin adjourned the meeting.

Respectfully submitted,

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Valarie M. Williams, Secretary

Approved: May 17, 2017

By: \_\_\_\_\_  
Donald R. Tomlin, Jr.  
Chairman