



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, November 28, 2018 at approximately 10:00 a.m., at The French Quarter Inn, 166 Church Street, Charleston, 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
Kenneth E. Ormand, Jr.
Sue Ann Shannon
Mary Sieck

The following Commissioner was excused: Chris Goodall.

Staff and Guests attending the meeting included the following:

STAFF: Bonita Shropshire, Executive Director
Tracey Easton, General Counsel
Anastasia Rodriquez, Interim Chief Financial Officer
Laura Nicholson, Development Director
Steve Clements, Homeownership Director
John Tyler, Director of Housing Initiatives and Innovation
Alan Leichtle, Controller
Burgundy Barr, Executive Assistant

GUESTS: Drew Schaumber, Schaumber Development
Alisa Mosley, AHC of SC
Bill Chamblin, Connelly Development
Kevin Connelly, Connelly Development

Freedom of Information Act Statement

Chairman Tomlin 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 Tomlin presented the agenda and asked if there were any amendments or corrections.

MOTION Commissioner Mickle moved to adopt the agenda as amended. The motion received a second from Commissioner Shannon. 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 October 24, 2018. There being none, he called for a motion to approve the minutes.

MOTION Commissioner Shannon moved to approve the minutes of October 24, 2018 as presented. The motion received a second from Commissioner Mickle. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Bond Committee

Final Resolution - Waters at St. James

Chairman Tomlin called on Tracey Easton to present the consideration of the final Resolution for Waters at St. James. Ms. Easton explained that Waters at St. James is a 336 new construction project in Summerville, SC. According to Ms. Easton the Resolution permits an increase not exceeding \$1.5 million with a total aggregate principal amount of \$31,750,000. She reported that the final Resolution will go to the State Fiscal Accountability office for final approval at their December 2018 meeting. Ms. Easton concluded that staff recommends approval of the final resolution.

MOTION Commissioner Mickle moved to approve the final Resolution as presented. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Program Committee**Consideration of Housing Trust Fund Awards**

Chairman Tomlin called upon Laura Nicholson for the Housing Trust Fund (HTF) report. Ms. Nicholson 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 September 30, 2018 was a little over \$30.6 million. Of that amount \$6.7 million is committed to projects previously awarded but not yet funded and \$9,516,863 million are in project recommendations for this cycle. Ms. Nicholson noted that the Fund's remaining unencumbered cash balance was approximately \$12,952,980. Ms. Nicholson then presented 22 project proposals with total funds requested of \$9,516,863.

Owner-Occupied Rehabilitation

Project No. 14219	Community Organization for Rights & Empowerment	\$54,500
Project No. 14319	Friendship CIC	\$54,500
Project No. 14419	Freedom Empowerment Building Program	\$54,500
Project No. 14519	Greater Works Foundation	\$109,000
Project No. 14619	Jasper County Neighbors United	\$27,250
Project No. 14719	Low Country Community Services	\$54,500
Project No. 14819	Metanoia CDC	\$54,500
Project No. 14919	Palmland CDF	\$109,000
Project No. 15019	Ridgeville Community Resource Center	\$54,500
Project No. 15119	SC Uplift	\$54,500
Project No. 15219	Southeastern Housing & Community Dev.	\$54,500
Project No. 15319	Southern Carolina Regional CDC	\$81,750
Project No. 15419	Sumter County CDC	\$109,000

Group Homes

Project No. 15519	Community Options, Inc.	\$100,000
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Supportive Housing

Project No. 15619	Home Alliance	\$300,000
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Multifamily Rental

Project No. 9219	Nichol Street 2018	\$61,221
Project No. 9319	Linden Square	\$1,689,675
Project No. 9419	Fallen Oak Apartments	\$1,169,585
Project No. 9519	Bent Tree Apartments	\$1,182,546
Project No. 9619	Magnolia Pointe Apartments	\$1,483,711
Project No. 9719	Live Oak Place Phase III	\$318,125
Project No. 9819	Villas at Bay Pointe	\$2,340,000

Ms. Nicholson stated that Staff recommended approval of the HTF Budget and Project Awards to the Program Committee at a meeting earlier that day. Commissioner Mickle stated the Program Committee had reviewed the staff's request and recommended approval of the HTF Budget and Awards by the full Board.

MOTION Commissioner Mickle moved to approve the HTF Budget and Project Awards. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Tax Credit Update

Ms. Nicholson continued her presentation before the Board with a Tax Credit Update. In her report, Ms. Nicholson advised the Board that a public hearing was held at the Authority on October 26, 2018 to accept comments on the proposed changes to the FY 2019-2020 Qualified Allocation Plan (QAP) and Tax Credit Manual. Ms. Nicholson comprehensively charted the proposed changes of the QAP and Tax Credit Manual. After a very extensive discussion between the Board, staff, and guests from the Affordable Housing Coalition, Ms. Nicholson requested approval to send the QAP to Governor McMaster for signature.

MOTION Commissioner Allen moved to send the QAP to the Governor's Office for review and approval. The motion received a second from Commissioner Mickle. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Development Division

Small Rental Development Program

Chairman Tomlin then asked Ms. Nicholson for the Small Rental Development Program (SRDP) update. Ms. Nicholson reported that the draft 2019 SRDP Manual was included in the Board book. According to Ms. Nicholson, staff plans to post the draft by December 10, 2018 in order to begin accepting comments from the development community. She also stated that the draft document will need to be sent to the S.C. Department of Commerce on December 14, 2018 in order to be included in the required Annual Action Plan. She explained that the Annual Action Plan outlines the Authority's plan of how the federal HOME and National Housing Trust Funds will be spent and the process by which applicants can apply for funds. Ms. Nicholson stated that the public commenting period will be held January 7, 2019 – February 5, 2019 and the public hearing will be held on January 24, 2019. Staff anticipates the 2019 program to begin on April 1, 2019.

After a brief discussion on the SRDP, Commissioner Mickle asked to have a Program Committee meeting prior to the January board meeting to discuss the Manual in greater detail.

Homeownership Report

Mr. Clements presented the mortgage production update highlighting loan volume, mortgage rates, origination fees, and down payment assistance data. He then provided updated loan reservation figures for the SC Mortgage Tax Credit, Palmetto Heroes, and the conventional loan program. Mr. Clements also highlighted the year to date figures for first mortgages with 772 first mortgages totaling just over a \$100million.

Consideration to Adopt Proposed 2019 Board Meeting Schedule

The Chairman asked for the Proposed 2019 Board Meeting Schedule. The Executive Director presented the proposed board meeting dates for 2019 and reminded the Commissioners that the Bylaws require at least two regular meetings per calendar quarter for a total of at least eight meetings.

The proposed meeting dates are:

Wednesday, January 16, 2019
Wednesday, March 20, 2019
Wednesday, May 15, 2019
Wednesday, June 19, 2019
Wednesday, August 21, 2019
Wednesday, September 18, 2019
Wednesday, October 16, 2019
Wednesday, November 20, 2019

Ms. Shropshire noted that no meetings would be held in the months of February, April, July, or December.

MOTION Commissioner Mickle moved to approve the proposed 2019 Board Meeting Schedule. The motion received a second from Commissioner Shannon. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Other Business

The Chairman asked if there was any other business that needed to come before the Board.

Executive Session

The Chairman called for a motion to enter executive session for purposes of receiving legal advice pursuant to SC Code Section 30-4-70(2) and to discuss a personnel matter pursuant to SC Code Section 30-4-70(1).

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

[EXECUTIVE SESSION]

Any Actions, Votes Necessitated After Executive Session

Upon exiting, the Chairman confirmed that no votes or actions had been taken during executive session. Chairman Tomlin then asked for any motions that were needed as a result of discussions during executive session.

Chairman Tomlin initiated a discussion related to the definition of “related parties” within the various guidelines of the Authority’s programs. The Chairman suggested that staff

reviews its definition of “related parties” and ensure that the meaning provided is clear and concise.

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

Commissioner Allen replied with the following motion:

MOTION Commissioner Allen made a motion to amend the Qualified Allocation Plan (QAP) to reduce the number of points for previous development experience by removing the sliding point scale that gives up to 7 points to a maximum of 1 point for previous experience. After a very thorough discussion around the purpose of the motion which Commissioner Allen summarized the intent is to open the program up to new developers in SC’s LIHTC program. The motion then received a second from Commissioner Mickle. After further discussion, Commissioners voted in the affirmative and the motion carried.

Adjournment

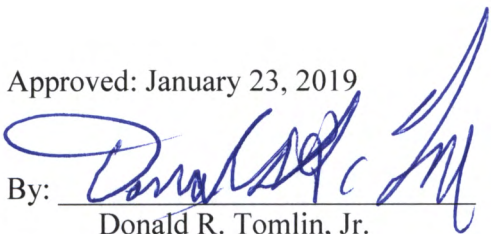
There being no additional business to come before the Board, Chairman Tomlin adjourned the meeting.

Respectfully submitted,


Bonita H. Shropshire Secretary

Approved: January 23, 2019

By:



Donald R. Tomlin, Jr.
Chairman