



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, June 19, 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
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
Renaye Long, Marketing and Procurement
Steve Clements, Homeownership
Carl Bowen, Rental Assistance & Compliance
John Tyler, Housing Initiatives & Innovation
Bryan Grady, Research
Reggie Bell, Procurement
Paul Linhardt, Finance
Chris McMillan, Development
Flora Wingard, Finance
Sarah Shinsky, Executive Assistant

GUESTS:
Alisa Mosley, AHC of SC
Raymond High, Citigroup
Vicki Wilkes, SCDDSN

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. Ms. Shropshire informed the Board of the following amendments: 1) Budget Presentation provided by Paul Linhardt instead of Jessica Lewis and 2) updated Housing Trust Fund materials are included in the board packet.

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

MRB 2019A Pricing Presentation

Chairman Mickle called on Raymond High with Citigroup for a presentation of the recent Mortgage Revenue Bond 2019 transaction. Mr. High gave a comprehensive summation of the issuance and provided a thorough review of the pricing book compiled by Citigroup, which included a financing overview.

The Board accepted the report as information.

Minutes

Chairman Mickle asked if there were any additions or corrections to the minutes of the May 15, 2019, telephonic meeting. There being none, the Chairman called for a motion to approve the minutes.

MOTION Commissioner Shannon moved to approve the minutes of May 15, 2019. 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

FY2021 Budget Draft

The Chairman called on Paul Linhardt for presentation of the FY 2021 Budget draft. Mr. Linhardt presented the proposed FY 2021 Budget along with a detailed review by division. After a thorough overview, Mr. Linhardt reminded the Commissioners that today’s presentation was for

review and discussion and that the final Budget request will be presented for approval at the August board meeting in order to meet the timeline for submission to the State Budget Office.

The Board accepted the report as information.

Program Committee

Consideration of HTF Awards

Chairman Mickle asked Tracey Easton to present the Housing Trust Fund (HTF) Awards. Ms. Easton presented 8 Owner Occupied Rehabilitation proposals and 1 Group Home proposal, totaling 9 project proposals with total funds requested of \$863,000 for consideration.

Owner-Occupied:

Project No. 40419	Clarendon County CDC	\$109,000
Project No. 40519	Community Assistance Provider (CAP)	\$ 54,500
Project No. 40619	HBA CDC	\$109,000
Project No. 40719	Jasper County Neighbors United	\$109,000
Project No. 40819	Pageland Community Housing Organization	\$109,000
Project No. 40919	Parnell's CDC	\$ 54,500
Project No. 41019	Vision of Hope, CDC	\$109,000
Project No. 41119	Williamsburg Enterprise Community Commission	\$109,000

Group Homes:

Project No. 41219	Beaufort County DSN (Waddell CTH II)	\$100,000
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Ms. Easton concluded by asking for approval of the HTF awards request.

MOTION Commissioner Allen moved to approve the HTF awards as proposed. The motion received a second from Commissioner Ormand. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

HTF Financial Information

Ms. Easton continued the HTF report by presenting Financial Information. She presented the HTF's financial report, which included a fiscal year budget analysis, fiscal year-to-date awards by activity, and the fiscal year cash balance analysis. She stated that the cash balance as of April 30, 2019 was a little over \$36.3 million. Of that amount, \$14.7 million is committed to projects previously awarded but not yet funded; \$1.2 million is for project recommendations for this cycle and \$13.5 million for reserved funds for upcoming funding cycles; \$1.1 million for administrative costs. With these commitments, the remaining unencumbered balance is \$5,819,859.60.

HTF FY 2020 Budget

Ms. Easton presented for approval the FY 2020 Housing Trust Fund program budget in the amount of \$17,087,258 of which \$1,196,108 would be used for administrative costs and \$15,891,150 for HTF activities. She concluded her presentation with the projected monthly receipts and recommended the FY 2020 Budget for approval.

MOTION Commissioner Shannon moved to approve the FY 2020 HTF budget as presented. The motion received a second from Commissioner Ormand. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Development Division Updates

Ms. Easton continued with program updates from the Development division.

LIHTC Update

Ms. Easton reported that staff is halfway through scoring 2019 applications. She reminded the Commissioners that during this time developers are prohibited from contacting members of the Board of Commissioners. Work on the 2020 QAP has begun internally. Finally, Ms. Easton shared that Chris McMillan is now our acting Low Income Housing Tax Credit and Bond Manager. He has been working in our underwriting division for many years and has worked on both programs during that time.

Small Rental Development Program (SRDP)

Ms. Easton then provided a brief update on the Small Rental Development Program. She stated program staff had received seven applications under the 2019 SRDP application round. Applications are under review.

Housing Trust Fund

Ms. Easton finished up with her report with an update on our Housing Trust Fund Manager position. Felicia Kilgore, who is currently with the City of Columbia, has been offered and accepted the position with a start date of July 1, 2019. With Ms. Kilgore's arrival July 1, all manuals are in a holding pattern to give her time to get in the office and give input. Staff expects new manuals to be circulated within the next three to six months.

Homeownership

Mortgage Production Update

The Chairman asked Steve Clements for the Mortgage Production Update. Mr. Clements began his update by highlighting new loan reservations, which totaled approximately \$25.2 million (net of cancellations), mortgage rates and down payment assistance data. Mr. Clements also reported that the 2019 Palmetto Heroes program launched on June 3. FHLBank Atlanta is offering an additional \$2,000 DPA for qualifying candidates.

The Board accepted the report as information.

Housing Initiatives and Innovation

The Chairman called on John Tyler, the Director of Housing Initiatives and Innovation. Mr. Tyler shared information regarding his work since he started at the agency. He has met with

several non-profits, developers, government officials, etc. He is gathering information from all areas as to what is working and what is not working and looking at new, efficient and effective ways of doing affordable housing. He has been working with Bryan Grady, Chief Research Officer, on our housing needs assessment and finalizing that for publication. Mr. Tyler has been working with one of our arena teams on our QAP. They have stripped it down, started with the Agency's mission and vision, and built on that. The Board would like to see Mr. Tyler find a way to be present when discussions around affordable housing are happening around the state to ensure that SC Housing is involved and helping to lead the work.

Reports

Executive Director

The Chairman called on Bonita Shropshire to give her report. She started with wishing a happy 40th anniversary to the Homeownership Division and shared a couple facts from our first bond series in 1979. Ms. Shropshire gave a report on the NCSHA Credit Connect Conference that she attended June 10 – 14. She then shared that the senior leadership team took a tour of Williamsburg and Clarendon counties with SC Disaster Recovery Office. It was very sobering to see the conditions that some of those residents continue to live in following recent flooding from hurricanes since they cannot get enough contractors to keep up with this work. Ms. Shropshire shared that she would like to consider an apprenticeship program to help develop contractors to help ease this burden in affordable housing development. In conclusion, Ms. Shropshire called on Carl Bowen, Director of Rental Assistance and Compliance to give an update on the changes in his division. Mr. Bowen reported that there will be an increase in the number of required MORs (Management Occupancy Reviews) in the updated contract with HUD and the IRS is increasing the number of units that will have to be inspected in the LIHTC program and the potential effects of these changes.

Other Business

Chairman Mickle reported that with his recent appointment as Acting Chairman, the Board needed to select a Vice Chairman and he opened the discussion by requesting nominations. Commissioner Sue Shannon was nominated.

MOTION Receiving no other nominations, Commissioner Allen motioned to name Commissioner Shannon as Vice Chairman. The motion received a second from Commissioner Gardner. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Executive Session

Chairman Mickle called for a motion to enter executive session for the purpose of discussing a personnel matter.

MOTION Commissioner Shannon moved to enter executive session for the stated purpose. The motion received a second from Commissioner Seick. 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: August 21, 2019

By: _____
Robert D. Mickle, Jr.
Acting Chairman

[EXECUTIVE SESSION]

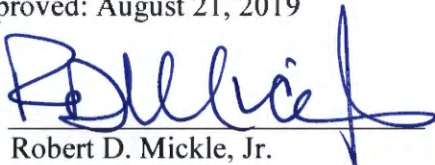
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