TENNESSEE HOUSING DEVELOPMENT AGENCY
BOARD OF DIRECTORS
March 24, 2020

Pursuant to the call of the Chairman, the Tennessee Housing Development Agency Board of Directors (the "Board") met in regular session on Tuesday, March 24, 2020, immediately following the 1:00 p.m. meeting of the Bond Finance Committee, via WebEx Call with certain staff members being at the THDA Offices located at 502 Deaderick Street; Andrew Jackson Building, 3rd Floor; Nashville, Tennessee 37243 in the Cades Cove Conference Room.

The following Board members were present via WebEx: Mike Hedges (Chair); Regina Hubbard; John Krenson; Treasurer David Lillard; Colleen Daniels (for Interim Commissioner of Finance & Administration Eugene Neubert); Austin McMullen; Rick Neal; John Snodderly; Lynn Tully; and Katie Armstrong (for Comptroller Justin Wilson). Secretary of State Tre Hargett was present, but left at 1:30 pm and was replaced by his designee, Jonathan Rummel. Chrissi Rhea and Erin Merrick also were present, but left at 3:10 pm and 3:14 p.m., respectively. Dorothy Cleaves was absent.

Chair Hedges recognized Lynn Miller, Chief Legal Counsel, who read the following notice:

> "Certain Board members will be participating in this meeting by telephone as authorized by Tennessee Code Annotated Section 8-44-108. Notice was posted stating that this meeting would be conducted in this fashion. This meeting is being conducted in this manner because the matters to be considered by the Board today require timely action and the physical presence of a sufficient number of Board members to constitute a quorum is not possible within the timeframe in which action is required. Therefore, it is necessary for some members to participate via telephone. Board members participating by telephone were sent documents relevant to today's meeting."

Chair Hedges called the meeting to order and upon motion by Mr. McMullen, second by Mr. Neal, and with the following roll call vote, motion carried to conduct the meeting in this manner:

Hedges	Yes
Hargett	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then called for consideration of minutes from the January 29, 2020 meeting. Upon motion by Treasurer Lillard, second by Mr. Krenson and with the following roll call vote, the minutes were approved:

Hedges	Yes
Hargett	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges recognized Ralph Perrey, THDA Executive Director, for the following Executive Director report:

- COVID-19 Update
  - No reported cases among THDA staff or their families.
  - Almost all staff have the ability to work from home and are doing so. Critical functions that must be performed at the office are covered and backed-up.
  - IT is providing support for work from remote sites. Business continuity plans have worked well.
  - VMLS developed very detailed contingency plans to assure response to borrowers who call or email.
- Plans to Assist Tennesseans
  - Trebia Johns and Heather Johnson with VMLS developed a streamlined 2-page request for loan forbearance.
  - THDA has halted foreclosures, suspended late fees, and is not sending negative reports to credit agencies.
- Production Outlook
  - The working assumption is that, starting in April, there will be a significant drop in production.
  - The secondary market is locked up, creating issues as we test processes and procedures, but it has halted mortgage lending in states HFAs entirely dependent on secondary market execution.

- The General Assembly recessed until June 1 without action on legislation to increase THDA's statutory debt limit.

- There are proceeds from Issue 2020-1 for several months of production at the reduced levels expected. Bonds are being redeemed on a monthly basis. This creates room under the statutory debt limit to issue additional bonds.

- Tornado Recovery

  - There are approximately 4,000 THDA borrowers in the counties impacted, but, so far, only 8 have contacted THDA for relief. That number is expected to increase and VMLS has reached out to those effected about possible forbearance.

  - Aggressive outreach for TNHousingSearch.org is continuing. 15 new properties have been listed with over 280 units in Davidson County alone. There have been 121 updated listings and 7 properties are offering short-term leases to those displaced. There have been over 4,200 searches in Davidson, Wilson and Putnam Counties.

- Tennessee Housing Conference

  - There were over 600 registrations. Governor Lee opened the conference, which meant a lot to those in attendance.

- Deborah Sanders was recognized upon her retirement after 43 years of service with the State of Tennessee, 38 of which were spent at THDA, and 25 with the Legal Team. No other THDA employee has served longer.

Chair Hedges called for the report on the Bond Finance Committee meeting and recognized Ms. Miller who presented the authorization of Issue 2020-2 (Federally Taxable). Ms. Miller presented the following documents that were previously circulated:

- a memorandum regarding Issue 2020-1 from Ms. Miller, dated March 12, 2020, that described the documents to be considered, explained how the authorization for Issue 2020-2 complied with THDA's Debt Management Policy, and included recommendations regarding bookrunning senior manager and rotating co-manager based on information provided by CSG Advisors Incorporated ("CSG"), financial advisor for THDA;

- a memorandum from CSG dated March 10, 2020, that recommended authorization of Issue 2020-2 under the 2013 General Resolution, through a negotiated sale, in an aggregate principal amount not to exceed $110 million, to refund certain outstanding THDA bonds, and for Raymond James to serve as bookrunning senior manager and for Robert W. Baird to serve as the rotating co-manager;

- the Plan of Financing for Issue 2020-2 in an aggregate principal amount not to exceed $110 million that was approved by the Bond Finance Committee ("Plan of Financing");

- the Resolution of the Board of Directors authorizing the issuance and sale of Issue 2020-2 under the 2013 General Resolution and delegating authority to an Authorized Officer who is the Secretary of the Bond Finance Committee, or an officer designated by the Secretary, to determine all final terms and conditions of the Issue 2020-1 Bonds ("Authorizing Resolution"); and

- the form of Supplemental Resolution for Issue 2020-2.

Upon motion by Treasurer Lillard, second by Ms. Tully and with the following roll call vote, the Authorizing Resolution was approved:

Hedges	Yes
Hargett	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges next recognized Ms. Miller who presented the Issue 2020-3 Authorization Resolution and the Issue 2020-3 Reimbursement Resolution. Ms. Miller presented the following documents that were previously circulated:

- a memorandum regarding Issue 2020-3 from Ms. Miller, dated March 12, 2020, that described the documents to be considered, explained how the authorization for Issue 2020-2 complied with THDA's Debt Management Policy, and included recommendations regarding bookrunning senior manager and rotating co-manager based on information provided by CSG Advisors Incorporated ("CSG"), financial advisor for THDA;

- a memorandum from CSG dated March 10, 2020, that recommended authorization of Issue 2020-3 under the 2013 General Resolution, through a negotiated sale, as taxable and tax-exempt bonds in an aggregate principal amount not to exceed $200 million, and for RBC Capital Markets to serve as bookrunning senior manager with a rotating co-manager appointed by the Authorized Officer based on results from pricing Issue 2020-2;

- the Plan of Financing for Issue 2020-3 in an aggregate principal amount not to exceed $200 million that was approved by the Bond Finance Committee ("Plan of Financing");

- the Resolution of the Board of Directors authorizing the issuance and sale of Issue 2020-3 under the 2013 General Resolution and delegating authority to an Authorized Officer who is the Secretary of the Bond Finance Committee, or an officer designated

by the Secretary, to determine all final terms and conditions of the Issue 2020-3 Bonds ("Authorizing Resolution");

- the form of Supplemental Resolution for Issue 2020-3; and
- the Resolution of the Board of Directors authorizing reimbursement of THDA from proceeds of Issue 2020-3 in an amount not to exceed $150 million ("Reimbursement Resolution").

Upon motion by Treasurer Lillard, second by Mr. Snodderly, and with the following roll call vote, the Authorizing Resolution and the Reimbursement Resolution were approved:

Hedges	Yes
Hargett	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Don Watt, Chief Programs Officer, who referenced and reviewed a memo from Edwin King, dated March 16, 2020, that recommended additional volume cap for the 2020 Multifamily Tax-Exempt Bond Authority Program. Upon motion by Ms. Tully, second by Mr. Rummel, and with the following roll call vote, $100,000,000 of additional 2020 volume cap was made available for the 2020 Multifamily Tax-Exempt Bond Authority Program:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Lindsay Hall, Chief Operating Officer of Single Family Programs who referenced and reviewed a memo from herself and Steve Fisher, Director of Capital Markets, dated March 11, 2020, regarding Ginnie Mae and the Federal Home Loan Bank products

in connection with the THDA conventional lending program. Upon motion by Treasurer Lillard, second by Mr. Rummel and with the following roll call vote, staff was authorized (1) to develop and submit applications for Ginnie Mae and Federal Home Loan Bank products; (2) to evaluate and implement business alternatives available under Ginnie Mae and the Federal Home Loan Bank as deemed appropriate by the Executive Director; and (3) to take all actions determined appropriate by the Executive Director to carry out these activities:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Abstain
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Ms. Hall who referenced and reviewed a memo from herself and Steve Fisher dated March 11, 2020, regarding proposed changes to down payment assistance, lender compensation and additional conventional products. Upon motion by Ms. Rhea, second by Ms. Tully, and with the following roll call vote, the changes described in the referenced memo were approved:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Ms. Hall who referenced and reviewed her memo dated March 11, 2020, regarding proposed changes to the New Start Mortgage Loan Program. Upon motion by Ms. Rhea, second by Mr. Krenson, and with the following roll call vote, the current New Start income limits were increased, the sales price limit was eliminated and the maximum New Start Loan amounts as specified in the referenced memo were retained:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Ms. Hall who referenced and reviewed her memo dated March 11, 2020, regarding the Tyson Foods, Inc. employee down payment assistance grant proposal. Upon motion by Ms. Armstrong, second by Mr. Snodderly, and with the following roll call vote, staff was authorized to (1) receive $1,000,000 Tyson Foods, Inc. to be disbursed to a THDA borrower determined by Tyson Foods, Inc. to be eligible for this assistance; (2) develop and execute an agreement to implement this proposal; and (3) take all actions determined appropriate by the Executive Director to carry out this proposal:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Mr. Watt who reference and reviewed his memo dated March 20, 2020, regarding temporary authority to modify established program deadlines and associated requirements due to COVID-19. Upon motion by Mr. McMullen, second by Mr. Snodderly, and with the following roll call vote, (1) the Executive Director was temporarily authorized to modify deadlines and THDA-established fees, limits, and penalties associated with such deadlines for all programs administered by the Multifamily Programs Division and the

Community Programs Division and (2) the deadline previously delayed for the 2020 Spring Competitive Round Grant applications was ratified.

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Rhea	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Mr. Watt who referenced and reviewed his memo dated March 2, 2020, regarding Program Year 2020 Weatherization Assistance Program (WAP). Upon motion by Mr. McMullen, second by Mr. Snodderly and pursuant to a roll call vote, the Executive Director was authorized to apply to the US Department of Energy for WAP Program Year 2020 funding as specified in the referenced memo and to not submit such an application if determined by the Executive Director to not be in the best interests of THDA:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Merrick	Yes
Neal	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Mr. Watt, who referenced and reviewed his memo dated March 4, 2020 regarding the 2021 THDA Challenge Grant Program Description. Upon motion by Mr. McMullen, second by Ms. Armstrong and with the following roll call vote, the Challenge Grant Program Description attached to the referenced memo was approved:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
McWhorter (Daniels)	Yes
Neal	Yes
Snodderly	Yes
Tully	Yes
Wilson (Armstrong)	Yes

Chair Hedges recognized Mr. Watt, who referenced and reviewed his memo dated March 19, 2020, describing proposed revisions to the 2019 Emergency Solutions Grants (ESG) Program Description to address effects of COVID-19 on organizations serving the homeless. Upon motion by Mr. McMullen, second by Ms. Tully and with the following roll call vote, the revisions described in the referenced memo were approved:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Neal	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Mr. Watt who referenced and reviewed his memo dated March 20, 2020, regarding supplemental funding to local continuums of care to address effects of COVID-19. Upon motion by Mr. McMullen, second by Ms. Armstrong, and pursuant to a roll call vote, the supplemental funding described in the referenced memo was approved:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Neal	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

Chair Hedges then recognized Mr. Watt who referenced and reviewed his memo dated March 11, 2020, regarding a HOME grant extension request from the City of Cleveland for its 2015-2016 HOME Grant. Upon motion by Mr. McMullen, second by Ms. Tully and with the following roll call vote, the requested second extension was approved as specified in the referenced memo:

Hedges	Yes
Rummel (for Hargett)	Yes
Hubbard	Yes
Krenson	Yes
Lillard	Yes
McMullen	Yes
Daniels (for Neubert)	Yes
Neal	Yes
Snodderly	Yes
Tully	Yes
Armstrong (for Wilson)	Yes

With no further business, meeting was adjourned.

Respectfully submitted,

Ralph M. Perrey,
Executive Director

Approved this 19th Day of May, 2020