

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING MINUTES
January 24, 2023

Pursuant to the call of the Chairman, the Tennessee Housing Development Agency (THDA) Board of Directors (the "Board") met in regular session on Tuesday, January 24, 2023, at 10:45 AM CT in Tennessee Room #2 of the William R. Snodgrass Tennessee Tower Building, Nashville, Tennessee.

The following board members were present in person: Chair Matt McGauley, Sara Queirolo (for Treasurer David Lillard), Alex Schuhmann (for Commissioner of F&A Jim Bryson), Rob Mitchell, Katie Armstrong (for Comptroller Jason Mumpower), Chris Mustain (for Secretary of State Tre Hargett), Austin McMullen, and Jacky Akbari. Those absent were: John Snodderly, Chrissi Rhea, Rick Neal, Tennion Reed, and Daniel Springer.

Chair McGauley called the Board meeting to order and asked for consideration of the November 15, 2022 meeting minutes. Upon motion by Mr. Mitchell and a second by Mr. Schuhmann, the motion carried and the minutes were approved.

Chair McGauley then recognized Executive Director Ralph M. Perrey for his report. Mr. Perrey shared that:

- The Tennessee Housing Conference is February 28-March 1, Board members who wish to attend, please contact the executive office.
- After meetings in Washington earlier this month with Tennessee's Members of Congress and their staffs, there is very strong support among the delegation for the Affordable Housing Credit Improvement Act. This would increase the amount of housing tax credits available to us by 50% and also make some changes to the Tax Exempt Bond Program that will let us stretch the same amount of bond authority over, perhaps, half-again as many developments.
- THDA had the first legislative budget hearing last Thursday before the House Finance, Ways & Means Committee. The presentation was well received.
- Governor Lee's State of the State address is scheduled for the evening of February 6. Several budget items important to housing and THDA are under consideration.
- Mortgage loan production has slowed considerably. Some of that is seasonal but it is mostly a reflection of limited inventory of houses for sale at entry-level price points and the effect higher prices and interest rates are having on typical customers. January is shaping up to be the lowest loan production month THDA has had in at least 5 years.
- THDA expects to issue an RFP this week for a new Loan Operating System. THDA has been well-served by THELMA, the system our IT and Single Family

Teams designed and developed in-house, but as the loan business becomes more sophisticated, THDA needs an upgrade.

- THDA has been notified by the Department of Economic & Community Development that THDA's share of the state's Private Activity bond authority is roughly \$370 million. The entire amount will be made available to applicants in the multifamily bond program. Depending on whether there are other, competing claims on the state's bond cap, THDA would expect to receive an additional allocation at mid-year. THDA plans to make most, or all of these funds available for Multifamily.

At the conclusion of Mr. Perrey's remarks, Chair McGauley presented a motion and a second from the Bond Finance Committee to approve the Five Year Strategic Plan as presented in the Bond Finance Committee Meeting and outlined in the board materials. Upon vote from the full Board, the motion was carried.

Mr. McGauley then recognized Mr. McMullen, Acting Chair of the Grants Committee. Mr. McMullen presented a motion and a second from the Grants Committee to approve:

- ❖ 2023 National Housing Trust Fund Program Description
- ❖ 2023 ERA Eviction Prevention Program Description
- ❖ 2023 HOME ARP Supportive Services Program Description
- ❖ National Housing Trust Fund, Tennessee Housing Trust Fund, and Creating Homes Initiative-2 COVID related extensions

Upon vote from the full Board, the motion was carried.

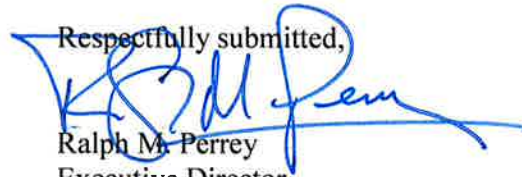
Mr. McGauley then presented a motion and a second from the Lending Committee to approve the 2023 Housing Cost Index and Resolution as presented in the committee and outlined in the board materials. Upon vote from the full Board, the motion was carried.

Next, Mr. McGauley recognized Mr. Mitchell, Acting Chair of the Rental Assistance Committee. Mr. Mitchell presented a motion requiring a second to notify HUD that THDA will discontinue the Homeownership Option of the Housing Choice Voucher program as presented and outlined in the board materials to the Board for a vote. Upon motion by Mr. Mitchell and a second by Mr. Schuhmann, the motion was carried.

Finally, Chair McGauley recognized THDA's newest Board member, Jacquelyn Akbari, and welcomed her to the Board of Directors.

With no further business, the meeting was adjourned at 10:55 AM CT.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "R. M. Perrey", with a large, stylized initial "R" and a long horizontal flourish extending to the right.

Ralph M. Perrey
Executive Director

Approved this 21st day of March, 2023