

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING MINUTES
March 19, 2024

Pursuant to the call of the Chair, the Tennessee Housing Development Agency (THDA) Board of Directors (the "Board") met in regular session on Tuesday, March 19, 2024, at 10:05 AM CT in the Nashville Room of the Tennessee Towers, Nashville, Tennessee.

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

Chair McGauley called the Board meeting to order. He notified the board that the end of June would close out his term on the board as Chair. He also said that beginning July 1, 2024, Mr. Rick Neal would become the new Chair of the THDA Board of Directors. As Vice Chair and Acting Chair, Rick Neal assumed oversight of the meeting on Mr. McGauley's behalf. Acting Chair Neal then opened the floor to anyone present from the public who wished to address the board. Seeing no one, he closed the floor to public comment.

Acting Chair Neal then recognized Executive Director Ralph M. Perrey for his report.

Mr. Perrey shared the following:

- THDA has received HUD approval to become a Subsidy Layering Reviewer. That means THDA can complete the subsidy layer review function as part of project-basing vouchers at multifamily properties that THDA has supported with bonds and tax credits. In the past, developers had to get such approval from HUD, a process that often took months. This will be a help to our development partners and expedite our plans to project-base a portion of the housing choice vouchers THDA administers. THDA believes this will be especially helpful to small and rural developments.
- The Tax Bill awaiting action in the US Senate includes \$6 billion of incentives for housing development and would provide immediate assistance to THDA's tax credit and bond programs. It passed the House with strong bipartisan support, over 350 votes, but is held up in Senate over other non-housing issues.
- In the General Assembly, sponsors are trying to move a modified version of a bill creating a state housing tax credit. It would allow developments to which THDA has awarded federal housing credits to also take a credit against Franchise & Excise taxes. It has a large fiscal note, which may be a tough sell this year. We are monitoring this legislation because administration of such a tax would fall to THDA.

At the conclusion of Mr. Perrey's remarks, Acting Chair Neal recognized Ms. Lindsay Hall, the Chief Operating Officer for Single Family Programs for a Single-Family Programs Business Update and information on newly designated Census Tracts that could impact first-time homebuyer status for potential customers.

Next, Acting Chair Neal recognized Mr. Eric Alexander, the Director of Multifamily Programs, for a Multifamily Programs Business Update and an overview of specific elements of the Qualified Allocation Plan to include revised set asides, general priority percentages if the tax bill passes, geographical pools, and the location needs score.

Acting Chair Neal then asked for consideration of the January 23, 2024, board meeting minutes. Upon motion by Mr. Mitchell and a second by Mr. Dixon, the motion carried, and the minutes were approved.

Acting Chair Neal then asked for consideration of the February 13, 2024, special board meeting minutes. Upon motion by Mr. McGauley and a second by Mr. Mitchell, the motion carried, and the minutes were approved.

Acting Chair Neal then recognized Chief Legal Counsel Bruce Balcom to provide an update on the agency's use and management of Volume Cap for Single Family and Multifamily business. This was for informational purposes and required no action by the board.

Next, Acting Chair Neal recognized Mr. Matt McGauley, Chair of the Bond Finance Committee, to present Bond Issue 2024-2 as outlined in the memo dated March 4, 2024, from Mr. Bruce Balcom, Chief Legal Counsel, as found in the board packet. Mr. McGauley brought to the board a motion from the Bond Finance Committee, in the form of a first and a second, to approve Bond Issue 2024-2. Upon vote by the full board, the motion to approve Bond Issue 2024-2 was carried.

Acting Chair Neal recognized Ms. Christy Hollingsworth, Assistant Director of Field Operations for Rental Assistance, to present a request to implement a Housing Choice Voucher (HCV) single waitlist model, as outlined in the memo dated March 4, 2024, from Director of Rental Assistance Ms. Jeboria Scott and Chief Programs Officer Don Watt, as found in the board packet. Ms. Hollingsworth highlighted that this proposal is keeping in line with new Fair Housing regulations and would unite the three waitlists THDA currently maintains into a single waitlist. Upon motion by Mr. Mitchell and a second by Mr. Dixon, the motion to approve the HCV Single Waitlist Model was carried.

Acting Chair Neal recognized Mr. Don Watt, Chief Programs Officer, to present a request to amend the 2020-2023 HOME CHDO Homeownership Program, as outlined in the memo dated March 4, 2024, from Director of Community Housing Mr. Bill Lord and Chief Programs Officer Don Watt, as found in the board packet. Mr. Watt highlighted that this amendment aligns the previous program description underwriting procedures with the 2024 program description and that this amendment is only applicable to open grants in which a unit is not under contract with a homebuyer. Upon motion by Mr. Dixon and a second by Mr. Miller, the motion to approve the 2020-2023 HOME CHDO Homeownership Program Amendment was carried.

Acting Chair Neal recognized Mr. Don Watt, Chief Programs Officer, to present a grant extension request from Hard Bargain Association regarding their 2020 HOME CHDO grant, as outlined in the memo dated March 4, 2024, from Director of Community Housing Mr. Bill Lord and Chief Programs Officer Don Watt, as found in the board packet. Mr. Watt highlighted that this grant was for \$600,000 for four homes and expires March 31, 2024. The request is for a 1-year extension with new expiration date of March 31, 2025. Upon motion by Mr. McGauley and a second by Mr. Springer, the motion to approve the 2020 HOME CHDO grant extension request from Hard Bargain Association was carried.

Acting Chair Neal again recognized Mr. Don Watt, Chief Programs Officer, to present a grant extension request from Park Center regarding their Creating Homes Initiative -2 grant, as outlined in the memo dated March 4, 2024, from Director of Community Housing Mr. Bill Lord and Chief Programs Officer Don Watt, as found in the board packet. Mr. Watt highlighted that this grant was for \$745,000 for

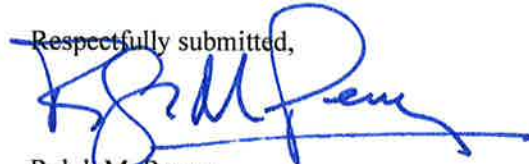
seven single-occupancy rooms for occupants suffering from opioid use disorders and expires May 31, 2024. The request is for an extension until September 30, 2025, and is the second extension request for this grant. Upon motion by Mr. Miller and a second by Mr. McGauley, the motion to approve the Creating Homes Initiative - 2 grant extension request from Park Center was carried.

Acting Chair Neal recognized Mr. Don Watt, Chief Programs Officer, to present the last grant extension request from the Southeastern Housing Foundation regarding their National Housing Trust Fund grant for Austin Homes Phase 3, as outlined in the memo dated March 4, 2024, from Director of Community Housing Mr. Bill Lord and Chief Programs Officer Don Watt, as found in the board packet. Mr. Watt highlighted that this grant was for \$900,000. This project includes various funding sources to include multifamily, rental assistance demonstration (RAD), CITC and HUD 202 capital advance. The request is for an extension with new expiration date of April 20, 2026. Upon motion by Mr. Miller and a second by Mr. Springer, the motion to approve the National Housing Trust Fund grant extension request from the Southeastern Housing Foundation was carried.

Noting that all action items for the board had been completed, Acting Chair Neal pointed out that the annex of the board packet provided a listing of recent grant awards and as well as the calendar year mortgage report for THDA mortgages.

With no further business, the meeting was adjourned at 11:19 AM CT.

Respectfully submitted,



Ralph M. Perrey
Executive Director

Approved this 21st day of May 2024