

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING MINUTES
September 26, 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, September 26, 2023, at 10:30 AM ET in the Holston Room of the Embassy Suites Downtown Hotel, Knoxville, Tennessee.

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

Chair McGauley called the Board meeting to order and 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.

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

Mr. Perrey shared the following.

- THDA has now fully executed contracts with organizations participating in eviction prevention efforts and has made available \$25 million for that purpose. The Agency also finalized agreements with Knox and Shelby County, which continue to operate Emergency Rental Assistance programs.
- Earlier this summer the state's Financial Stimulus Accountability Group awarded \$15 million to FAHE (Federation of Appalachian Housing Enterprises) to support housing development and rehab work undertaken by FAHE's Tennessee members. Those funds will flow through THDA to FAHE, and then on to member organizations.
- THDA is proud to partner with Rural Development in Tennessee and Kentucky in their joint efforts to help communities recover from tornadoes that hit the area around South Fulton, Tennessee and Fulton, Kentucky with our programs.

At the conclusion of Mr. Perrey's remarks, Chair McGauley recognized Ms. Lindsay Hall, the Chief Operating Officer for Single Family Programs for a Single Family Programs Business Update. Ms. Hall's update noted that THDA had over \$100 million in loan applications for the month of August, which is an Agency record.

Next, Chair McGauley recognized Mr. Eric Alexander, the Director of Multifamily Programs for a Multifamily Programs Business Update. Mr. Alexander's update included an overview of projects in the current production pipeline and a brief overview of the recent LIHC awards.

At the conclusion of the presentation, Chair McGauley asked for consideration of the July 25, 2023 board meeting minutes. Upon motion by Ms. Rhea and a second by Ms. Reed, the motion carried and the minutes were approved.

Mr. McGauley then recognized Mr. Trent Ridley, Chief Finance Officer, to present the Proposed Budget for Fiscal Year 2024-2025, as outlined in the memo dated September 11, 2023, from himself and Joe Brown, Controller in the board packet. This was a repeat of his presentation from the Audit and Budget and Bond Finance Committees held on Monday, September 18, 2023. At the conclusion of the presentation, Mr. McGauley presented a motion and a second from the Bond Finance Committee recommending approval of the Proposed Budget to the board. Upon a vote from the full board, the motion was carried.

Mr. McGauley then presented a motion and a second from the Bond Finance Committee to approve the Amendment to Bond Issue 2023-3. Upon vote from the full Board, the motion was carried.

Mr. McGauley presented an ad hoc motion and a second from the Bond Finance Committee to approve the RFP process for a Financial Advisor. Upon vote from the full Board, the motion was carried.

Chair McGauley again recognized Ms. Lindsay Hall, Chief Operating Officer of Single Family Operations, to present on the Freddie Mac Form 988SF and Resolution, as outlined in the memo dated August 30, 2023, from herself, as found in the board packet. Ms. Hall highlighted that this form has to be approved regularly to facilitate our work with Freddie Mac. Upon motion by Ms. Rhea and a second by Mr. Neal, the motion to approve the form and resolution was carried.

Chair McGauley recognized Mr. Bill Lord, Director of Community Housing, to present on the National Housing Trust Fund (NHTF) Gap Funding Program Description, as outlined in the memo dated September 11, 2023, from himself and Don Watt, Chief Programs Officer, as found in the board packet. Mr. Lord highlighted that this program would capitalize on a \$1.5 million carryover from the 2022-2023 program year and would be used to assist currently funded projects that have been impacted by construction and financing cost escalations and are creating a funding gap in the projects financing. Upon motion by Mr. Neal and a second by Mr. Miller, the motion to approve the NHTF Gap Funding Program Description was carried.

Chair McGauley recognized Mr. Bill Lord, Director of Community Housing, to present on the 2024 Capacity Building Pilot Program Description, as outlined in the memo dated September 11, 2023, from himself and Don Watt, Chief Programs Officer, as found in the board packet. Upon motion by Ms. Reed and a second by Mr. Springer, the motion to approve the 2024 Capacity Building Pilot Program was carried.

Chair McGauley recognized Mr. Eric Alexander, Director of Multifamily Programs, to present the 2024 Qualified Allocation Plan, as outlined in the memo dated September 7, 2023, from himself and Don Watt, Chief Programs Officer, as found in the board packet. During discussion, Ms. Reed asked if the partners for the Supportive Housing Set Aside were predetermined. Mr. Alexander said they were not. Credits will be made available through a competitive process and open to all. Ms. Reed also asked if the partners for the Twinning Set Aside were predetermined. Mr. Alexander said they were not. Mr. Neal expressed concern about the proportion of annual allocation, approximately 60-75%, that was now directed through set asides in the QAP. He asked that the Agency relook at the set asides each year to ensure continued relevancy. Mr. Neal also encouraged a comprehensive look at partners applying for the supportive housing set aside to ensure proper experience, both for the housing and the supportive services. Upon motion by Mr. McGauley and a second by Mr. Dixon, the motion to approve the 2024 Qualified Allocation Plan was carried.

Chair McGauley then recognized Mr. Bruce Balcom, Chief Legal Counsel, to highlight the State Form in the board packet as well as Mr. Eric Alexander, the Director of Multifamily Programs to provide any additional comments regarding the recent 2023 LIHC award selection list.

With no further business, the meeting was adjourned at 11:49 AM ET.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Ralph M. Perrey". The signature is stylized with large, connected letters and a long horizontal stroke at the end.

Ralph M. Perrey
Executive Director

Approved this 14th day of November, 2023