

TENNESSEE HOUSING DEVELOPMENT AGENCY  
BOARD OF DIRECTORS MEETING MINUTES  
May 23, 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, May 23, 2023, at 10:11 AM CT in the Nashville Room of the William R. Snodgrass Tennessee Tower Building, Nashville, Tennessee.

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

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 welcomed the newest Board Member, Stephen Dixon.

He also thanked John Snodderly and Austin McMullen for their service and the completion of two consecutive terms on the THDA Board of Directors.

Mr. Perrey highlighted THDA’s 50<sup>th</sup> Anniversary this month and thanked Speaker of the House Sexton for presenting a 50<sup>th</sup> Anniversary celebratory proclamation to THDA on behalf of the legislature.

He highlighted a trip to Memphis next week where he will join HUD Secretary Marcia Fudge, National Housing Conference President David Dworkin and many others to mark the second anniversary of the National Black Homeownership Collaborative. The event brings welcome attention to the Convergence Memphis effort, in which THDA supports the work of the Mortgage Bankers Association to increase the homeownership rate among African Americans.

Mr. Perrey noted the strong gains THDA is seeing in mortgage applications – nearly \$60 million so far this month. He said it reflects well on the work our Single Family team has done to competitively position *Great Choice* products in the market place.

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 included a comparative loan production report and delinquencies. This was followed by an overview of THDA’s Ginnie Mae execution by Mr. Steve Fisher, Director of Capital Markets.

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, an introduction to affordable housing tax credits, and the three changes being considered for the 2024 Qualified Allocation Plan.

At the conclusion of the presentation, Chair McGauley asked for consideration of the March 21, 2023, board meeting minutes. Upon motion by Mr. McMullen and a second by Mr. Neal, the motion carried, with an abstention from Mr. Dixon, and the minutes were approved.

Mr. McGauley then recognized Mr. Ralph Perrey, Executive Director of THDA, to present the proposal for a \$1,000,000 grant to the Home Builders Institute (HBI) for the purpose of establishing a BuildStrong training academy in Tennessee, as outlined in the memo dated May 8, 2023, from himself in the board packet. Ms. Emily Price, from HBI gave a presentation on HBI and the Build Strong training academy. Mr. Mitchell asked Ms. Price how HBI marketed to students. Ms. Price explained they use social media, influencers and traditional marketing spots on TV and radio. Mr. Neal asked Ms. Price about student eligibility. Ms. Price explained that students had to be 18 years of age or older, physically able to do the training, have a reliable means of transportation to get them to classes and undergo a background check. No High School Diploma is required. Then Mr. McGauley asked Ms. Price the timeline for getting the training academy if this grant was approved. Ms. Price said that HBI can normally secure funding in less than a year, and then it takes about 120 days to open the door to students once a facility has been secured. Upon a motion by Ms. Rhea and a second by Mr. Snodderly, the motion carried and the grant was approved.

Chair McGauley recognized Ms. Cynthia Peraza, Director of Community Programs, to present on the Authorization of Annually Funded Programs, as outlined in the memo dated May 8, 2023, from herself and Don Watt, Chief Programs Officer, as found in the board packet. Ms. Peraza highlighted that the programs listed did not change substantially from year to year and requested a permanent authorization to continue the programs if program changes remained minimal. Upon motion by Mr. Neal and a second by Ms. Rhea, the motion to approve Authorization of Annually funded programs was carried.

Chair McGauley recognized Ms. Cynthia Peraza, Director of Community Programs, to present on the Memphis Housing Authority 2020 National Housing Trust Fund Grant Extension Request, as outlined in the memo dated May 8, 2023, from herself and Don Watt, Chief Programs Officer, as found in the board packet. Ms. Peraza highlighted the HUD Section 18 delays the project has experienced and with that issue resolved they should be on track to complete the project in the next 15 months. Upon motion by Mr. Snodderly and a second by Mr. Dixon, the motion to approve Grant Extension from the Memphis Housing Authority was carried.

Chair McGauley recognized Ms. Cynthia Peraza, Director of Community Programs, to present on the Emergency Rental Assistance 2 (ERA 2) Set-Aside Award Recommendations, as outlined in the memo dated May 8, 2023, from herself and Don Watt, Chief Programs Officer, as found in the board packet. Ms. Peraza requested that a set aside of \$5 million for Shelby County and up to \$40 million for Knox County from ERA 2 funds be granted to help them continue to administer

their existing Emergency Rental Assistance funded programs. Mr. Dixon asked why those dollar amounts were chosen. Mr. Peraza explained those were the dollar amounts the counties requested. Upon motion by Mr. Neal and a second by Mr. Dixon, the motion to approve Emergency Rental Assistance 2 Set-Aside Awards was carried.

Mr. McGauley then presented a motion and a second from the Bond Finance Committee to approve the Schedule of Financing as presented in the committee and outlined in the board materials. Upon vote from the full Board, the motion was carried.

Chair McGauley recognized Ms. Lindsay Hall, Chief Operation Officer of Single Family Programs, to present on the New Start Maximum Loan Limit Change and Blue Oval City Set-Aside, as outlined in the memo dated May 8, 2023, from herself and Rhonda Ronnow, Director of Single Family Loan Operations as found in the board packet. Ms. Hall explained the need for this increase is due to the rapidly growing costs of land, development, construction materials, and labor across all of Tennessee. Ms. Akbari asked how Single Family decided on \$200,000 as the maximum limit statewide. Ms. Hall explained that after watching the Nashville and surrounding areas over the last few years, which already had a \$200,000 maximum limit for New Start loans, that amount seemed to be appropriate to meet broader needs. Upon motion by Ms. Rhea, and a second by Mr. Snodderly, the motion to approve the New Start Maximum Loan Limit Change and Blue Oval City Set-Aside was carried.

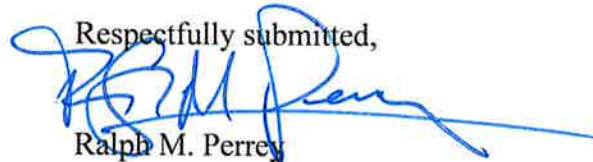
Chair McGauley recognized Mr. Eric Alexander, Director of Multifamily Programs, to present on the Amendment to the Multifamily Tax-Exempt Bond Authority Program Description for 2023 and the Low Income Housing Credit 2023 Qualified Allocation Plan for 2023 MTBA Round 2, as outlined in the memo dated May 23, 2023, from himself and Don Watt, Chief Programs Officer, as found in the board packet. Mr. Alexander highlighted the future requested notification schedule for applications with missing or incomplete information in the next MTBA round of applications. Mr. McGauley asked what happens if a developer is working hard to provide missing or incomplete information, but runs out of time. Mr. Alexander explained that extenuating circumstances could be considered if they arise. Mr. Mustain then asked if applicants would be notified if their application had been removed at the end of the notification period. Mr. Alexander indicated that applicants are notified if their application has been removed from consideration. Mr. Mustain followed up, and asked how much time is being saved with this new 7 calendar day period to resolve application issues. Mr. Alexander explained that he did not have empirical data to support his claim at this time, but staff has indicated that this new timeline could speed up the process by almost a month given the back and forth and review time necessary for staff to review submitted responses at each stage under the current process. Upon motion by Ms. Rhea and a second by Ms. Quierolo, the motion to approve Amendment to the Multifamily Tax-Exempt Bond Authority Program Description for 2023 and the Low Income Housing Credit 2023 Qualified Allocation Plan for 2023 MTBA Round 2, the was carried.

Chair McGauley then recognized Ms. Gay Oliver, Director of Internal Audit, for a brief update on THDA's new Vendor Management Program.

At the conclusion of Ms. Oliver's presentation, Chair McGauley recognized Ms. Cynthia Peraza, Director of Community to Programs, to share recent ERA-EPP, HOME-ARP Support Service, HOME-ARP Rental Development, and Emergency Solutions Grants Awards.

With no further business, the meeting was adjourned at 12:19 PM CT.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Ralph M. Perrey', with a long horizontal flourish extending to the right.

Ralph M. Perrey  
Executive Director

Approved this 25th day of July, 2023