

MINUTES OF THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS  
WEST VIRGINIA HOUSING DEVELOPMENT FUND  
February 24, 2021

The regular meeting of the Board of Directors of the West Virginia Housing Development Fund (the "Fund") was held on Wednesday, February 24, 2021 via telephone. The telephone number was made available to the public in the Notice of Meeting of the Board of Directors posted on the Secretary of State website, the Fund's website, and at the gate of the West Virginia Housing Development Fund. The Chair called the meeting to order at 9:02 a.m. with the following members present throughout, except where noted.

Ann Urling, Chair  
Norm Bailey, Representative for the Honorable Kent Leonhardt, Commissioner of Agriculture  
John Gianola, Member  
Lindsey Marchio, Representative for the Honorable Riley Moore, State Treasurer  
Bob Nistendirk, Member  
Kris Raynes, Member  
Chris Stansbury, Member  
Steven Travis, Representative for the Honorable Patrick Morrissey, Attorney General

Members Absent:

Sam Kapourales, Member  
Patrick Martin, Member  
Wendy McCuskey, Member

Staff present:

Erica Boggess, Executive Director  
Tammy Bonham, Division Manager – Loan Servicing  
Julie Davis, Deputy Director – Production  
George Gannon, Communications Administrator  
Trisha Hess, Senior Manager – Accounting  
Chad Leport, Division Manager – Finance and Federal Financial Compliance  
Michael Lindsco, Manager – Asset Management  
Martha Lilly, Legal Assistant  
Alicia Massie, Legal Counsel - Compliance  
Kelley Ridling, Senior Manager – Internal Audit  
Lori Ryan, Executive Assistant  
Kristin Shaffer, Senior Legal Counsel  
Nathan Testman, Senior Division Manager – Multifamily Lending  
Crystal Toney, Deputy Director – Administration  
Dorothy White, Federal Compliance Officer  
Michelle Wilshere, Senior Manager – Low Income Housing Tax Credit Program

Others Present:

Samme Gee - Jackson Kelly PLLC  
Kelley Goes – Jackson Kelly PLLC  
Dan Fuss – Hawkins, Delafield & Wood  
Bella -Member of general public

APPROVAL OF THE MINUTES OF THE JANUARY 27, 2021,  
MEETING

Member John Gianola moved the approval of the minutes of the January 27, 2021 meeting. His motion was seconded by Member Bob Nistendirk and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

FINANCIAL STATEMENTS AND DELINQUENCY REPORTS FOR  
THE PERIOD ENDED JANUARY 31, 2021

Crystal Toney presented the financial statements and delinquency reports for the period ended January 31, 2021. The financials and delinquency reports were accepted as presented.

Member Kris Raynes joined the meeting.

BOND RESOLUTIONS UPDATE/APPROVAL OF BOND  
REDEMPTION AND DEFEASANCE – NEW ISSUE BOND  
PROGRAM BONDS

Julie Davis informed the Board that, at the May 2020 Board meeting, staff presented information regarding the Fund's active bond resolutions and the impact that the CARES Act could have on those resolutions. The CARES Act contained provisions which allowed single family and multifamily borrowers to request forbearance on their loans for a specified amount of time. Staff explained that the Housing Finance (HF) resolution is strong and could handle some loan loss. The New Issue Bond Program (NIBP) resolution is not a strong resolution and would be impacted by a minimal loan loss. Due to the uncertainty of the collection of monthly payments from borrowers, it was decided that the Fund would take measures to preserve cash to ensure that debt service requirements could be met.

Ms. Davis updated the Board that both the May 1, 2020 and the November 1, 2020 debt service payments were successfully met and the Fund did not have to draw on either resolutions' capital reserves, the bond insurance fund, or the Fund's general funds. Ms. Davis reported that staff believes that the excess funds now on hand in the HF resolution and available for payment of future debt service are adequate and that measures previously taken can be eased.

Ms. Davis explained that a portion of the proceeds of the bonds from a successful sale in October 2020 were used to purchase mortgages held in the NIBP resolution, thereby providing funds to redeem the NIBP 2011 bonds. Currently, the NIBP 2012 bonds are the only outstanding bonds under the NIBP resolution. Staff believes that redeeming the NIBP 2012 bonds would be a prudent use of the excess funds in the HF resolution and estimates needing approximately \$18,200,000 in excess funds from the HF resolution to purchase the NIBP mortgages. The purchased loans will transfer to the HF resolution and will directly

contribute to the amount of funds recycled monthly to originate new loans in the Movin Up Program. This will continue the mission of the Fund to increase excess funds to originate loans and lessen dependency on the bond market. This will also eliminate staff administrative time in on-going monitoring and disclosure of the NIBP resolution.

Ms. Davis stated that staff is seeking the Board's approval of the proposed use of HF excess funds to purchase NIBP mortgages and the redemption of the NIBP bonds around May 1, 2021, which will result in the defeasance of the NIBP resolution.

Member Gianola moved to approve the use of Housing Finance excess funds to purchase NIBP mortgages and the redemption of the NIBP bonds. His motion was seconded by Member Chris Stansbury, and, upon the affirmative vote of the eight (8) members present, the Chairman declared the motion adopted.

A copy of the Bond Resolution is attached as Exhibit A.

CONSIDERATION OF SINGLE-FAMILY BOND PROGRAM –  
HOUSING FINANCE

Chad Leport informed the Board that staff is recommending the approval of a new Plan of Finance and the adoption of the Fifty-Fourth Supplemental Housing Finance Bond Resolution ("Resolution") authorizing the issuance of one or more series of new money housing finance bonds not to exceed a maximum aggregate principal amount of \$75,000,000 and one or more series of refunding bonds not to exceed an aggregate principal amount of \$26,280,000. The objective of the Plan of Finance is to provide funds to finance mortgages for first-time homebuyers in connection with the single-family bond program, achieve an economic benefit by refunding higher interest rate debt and to provide funds for new mortgages.

Mr. Leport stated that staff is seeking approval to sell bonds through either private placement, competitive sale, or negotiated sale. If a negotiated sale is required, staff requests approval for continual use of Raymond James as underwriter. In addition to authorizing the issuance of bonds, the Fifty-fourth resolution authorizes amendments to the General Resolution, which have been presented to, and deemed acceptable by applicable rating agencies.

Member Kris Raynes moved to approve the Plan of Finance and adoption of the Fifty-fourth Supplemental Resolution, as presented. Her motion was seconded by Member Nistendirk, and, upon the affirmative vote of the eight (8) members present, the Chairman declared the Motion adopted.

A copy of the Plan of Finance and the Fifty-fourth Supplemental Resolution is attached as Exhibit B.

INFORMATIONAL ITEM – UPDATE ON MOUNTAINEER  
RENTAL ASSISTANCE PROGRAM

Executive Director Erica Boggess presented an update on the Mountaineer Rental Assistance Program. Ms. Boggess explained that staff continues to work with a software provider to assist with the application process and expects to begin accepting applications in March. State-wide advertising is expected to begin a week after the Program opens.

EXECUTIVE SESSION TO DISCUSS LEGAL MATTERS  
PURSUANT TO W. VA. CODE §6-9A-4(b)(7)

The Board did not go into Executive Session.

ADJOURNMENT

There being no further business, Member Nistendirk moved to adjourn the meeting. His motion was seconded by Member Gianola. Meeting adjourned at 9:29 a.m.

  
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Martha Lilly, Assistant Secretary