

MINUTES OF THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS  
WEST VIRGINIA HOUSING DEVELOPMENT FUND  
June 23, 2021

The regular meeting of the Board of Directors of the West Virginia Housing Development Fund (the "Fund") was held on Wednesday, June 23, 2021 in person and 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 9:01 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 (via phone)

John Gianola, Member (via phone)

Sam Kapourales, Member (via phone)

Bob Nistendirk, Member (via phone)

Kris Raynes, Member (via phone)

Chris Stansbury, Member (via phone)

Steven Travis, Representative for the Honorable Patrick Morrissey, Attorney General (via phone)

Members Absent:

Patrick Martin, Member

Wendy McCuskey, Member

Honorable Riley Moore, State Treasurer

Staff present:

Erica Boggess, Executive Director

Cathy Colby, Senior Manager – HOME and HTF Programs

Julie Davis, Deputy Director – Production

Zachary Fisher, Internal Auditor

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

Kelley Ridling, Senior Manager – Internal Audit

Jon Rogers, Senior Division Manager – Single Family Lending

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

APPROVAL OF THE MINUTES OF THE MAY 26, 2021,  
MEETING

Representative Norm Bailey moved the approval of the minutes of the May 26, 2021 meeting. His motion was seconded by Member Chris Stansbury, and, upon the affirmative vote of the six (6) members present, the Chair declared the motion adopted.

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

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

Member John Gianola joined the meeting.

CONSIDERATION OF PROPOSED FY 2022 OPERATING  
BUDGET

Erica Boggess informed the Board that the Audit Committee approved the budget for further recommendation to the Board during the Audit Committee meeting prior to the Board meeting. Ms. Boggess presented the Proposed Fiscal Year 2022 Operating Budget.

A brief discussion followed.

Member John Gianola moved the approval of the Proposed Fiscal Year 2022 Operating Budget. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

A copy of the Fiscal Year 2022 Operating Budget is attached as Exhibit A.

#### CONSIDERATION OF FY 2022 PROGRAM FUNDING ALLOCATIONS

Ms. Boggess informed the Board that the Audit Committee approved the 2022 Funding Allocations for further recommendation to the Board during the Audit Committee meeting prior to the Board meeting. Ms. Boggess presented the Fiscal Year 2022 Program Funding Allocations.

Member Gianola moved approval of Fiscal Year 2022 Funding Allocations as presented. His motion was seconded by Member Chris Stansbury and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

A copy of the Fiscal Year 2022 Program Funding Allocations is attached as Exhibit B.

#### 2022 PROJECTION OF REVENUES AND EXPENSES

Ms. Boggess presented the Fiscal Year 2022 Projection of Revenues and Expenses and stated that it is based on several factors, including anticipated production, historical revenues and expenses, and anticipated changes in those historical amounts.

Ms. Boggess further stated that the 2022 Projection of Revenues and Expenses project net earnings of \$14.3 million for the Fiscal Year ending June 30, 2022. As compared to 2021 estimated net income, projected earnings will decrease approximately \$1.4 million in Fiscal Year 2022.

Ms. Boggess explained that this item is for informational purposes only.

A copy of the Fiscal Year 2022 Projection of Revenue and Expenses for the Fund is attached as Exhibit C.

Member Kris Raynes joined the meeting.

#### CONSIDERATION OF MULTIFAMILY CONSTRUCTION LOAN, MULTIFAMILY PERMANENT LOAN AND MULTIFAMILY TCAP LOAN FOR THURSTON LANDING II

Nathan Testman presented three loan requests from Thurston Landing II Limited Partnership to finance the new construction of a forty (40) unit Low-Income Housing Tax Credit Program ("LIHTCP") project located in St. Albans known as Thurston Landing II.

Mr. Testman stated that the Project consists of one (1) building. Ten (10) units are designated for tenants with income at or below 40% Area Median Income (AMI) and thirty (30) units are designated for tenants with income at or below 60% AMI.



Mr. Testman informed the Board that the co-developers for the project are Spire Development LLC ("Spire") and Fairfield Homes, Inc. This will be the Fund's fifth project with this development team. Given the developers' experience, staff has a high level of confidence in the development team's ability to develop the proposed project.

Mr. Testman stated that staff is requesting approval of a Multifamily Construction Loan in the amount of up to \$6,800,000, with a fixed rate of up to 4.0%, for a term of 24 months. The Multifamily Construction Loan will be secured by a first lien deed of trust on the land and improvements known as Thurston Landing II, corporate guarantees of Thurston Landing GP, LLC, Gorsuch FHI Holdings, LLC, Spire Development, Inc., Spire Real Estate Holdings, LLC, and Fairfield Homes, Inc., as well as personal guarantees of Scott Harrold, Tom Grywalski, Leonard Gorsuch, and Jennifer Walters.

Member Sam Kapurales moved to approve the request for the Multifamily Construction Loan for the new construction of Thurston Landing II, as presented. His motion was seconded by Member Bob Nistendirk, and, upon the affirmative vote of the eight (8) members present, the Chair declared the motion adopted.

Mr. Testman stated that staff is requesting approval of a Multifamily Permanent Loan in the amount of up to \$956,000, with a fixed rate of up to 4.5%, for a term of 40 years. The Multifamily Permanent Loan will be secured by a first lien deed of trust on the land and improvements known as Thurston Landing II, operating and replacement reserves associated with the Project, USDA 538 GRRHHP Option 1 Permanent Loan Guarantee, and limited non-recourse guarantees of the corporate owners may also be required.

Member Nistendirk moved to approve the request for the Permanent Loan for the new construction of Thurston Landing II, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the eight (8) members present, the Chair declared the motion adopted.

Mr. Testman stated that staff is requesting approval of a TCAP Loan in the amount of up to \$250,000, with a fixed rate of up to 0.0%, for a term of 42 years. Mr. Testman noted that the 42-year term is a change from the term stated in the Board packet and explained that the parties agreed that the TCAP loan should not mature before the Multifamily Permanent Loan. The TCAP Loan will be secured by a second lien deed of trust on the land and improvements known as Thurston Landing II, and limited non-recourse guarantees of the corporate ownership entities.

Representative Bailey moved to approve the request for the TCAP Loan for the new construction of Thurston Landing II, as presented. His motion was seconded by Member Stansbury, and, upon the affirmative vote of the eight (8) members present, the Chair declared the motion adopted.

INFORMATIONAL ITEMS – AFFORDABLE HOUSING FUND  
AWARDS AND S&P ISSUER CREDIT RATINGS

Ms. Boggess stated that the Fund's Executive Director has the authority to approve program grants and loans of up to \$300,000 each, subject to program guidelines approved by the Board. Ms. Boggess informed the Board that Fund issued fifty-seven (57) Affordable Housing Fund awards following an RFP. The awards were for Housing Counseling, Technical Assistance, Predevelopment, and Permanent Gap funding for both Homeownership and Rental projects.

Ms. Boggess informed the Board that S&P Global has affirmed the Fund's "AAA" rating.

Member Kris Raynes left the meeting.

EXECUTIVE SESSION TO DISCUSS LEGAL MATTERS  
PURSUANT TO W. VA. CODE §6-9A-4(b)(7) AND  
EXECUTIVE SESSION TO DISCUSS MATTERS  
INVOLVING COMMERCIAL COMPETITION, WHICH IF  
MADE PUBLIC, MIGHT ADVERSELY AFFECT THE  
FINANCIAL OR OTHER INTEREST OF THE STATE OR ANY  
POLITICAL SUBDIVISION PURSUANT TO W. VA CODE  
§6-9A-4(b)(9)

Member Gianola moved that the Board enter Executive Session to discuss legal matters pursuant to W. Va. Code §6-9A-4(b)(7) and Executive Session to discuss matters involving commercial competition, which if made public, might adversely affect the financial or other interest of the State or any Political Subdivision pursuant to W. Va. Code §6-9A-4(b)(9). His motion was seconded by Member Nistendirk, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted. The Board adjourned into Executive Session at 9:45 a.m.

The Executive Session concluded at 10:12 a.m. Chair Urling stated that no action took place during the Executive Session.

ADJOURNMENT

There being no further business, Representative Bailey moved to adjourn the meeting. His motion was seconded by Member Stansbury. Meeting adjourned at 10:13 a.m.

  
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Martha Lilly, Assistant Secretary