

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
WEST VIRGINIA HOUSING DEVELOPMENT FUND
August 25, 2021

The regular meeting of the Board of Directors of the West Virginia Housing Development Fund (the "Fund") was held on Wednesday, August 25, 2021, in person and via video conferencing. The video conferencing information was made available to the public in the Notice of Meeting of the Board of Directors posted on the Secretary of State website, and the Fund's website. The Chair called the meeting to order at 9:12 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 (via video)

Kara Hughes, Representative for the Honorable Riley Moore, State Treasurer (via video)

Sam Kapourales, Member (via phone)

Patrick Martin, Member (via video)

Bob Nistendirk, Member (via video)

Chris Stansbury, Member (via video)

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

Members Absent:

Kris Raynes, Member

Staff present:

Erica Boggess, Executive Director

Julie Davis, Deputy Director – Production

Martha Lilly, Legal Assistant

Lori Ryan, Executive Assistant

Kristin Shaffer, Senior Legal Counsel

Nathan Testman, Senior Division Manager – Multifamily Lending

Crystal Toney, Deputy Director – Administration

Others Present:

Matt Davis, Jackson Kelly PLLC

Mark Feinsot, Member of Public

Samme Gee, Jackson Kelly PLLC

Kelley Goes, Jackson Kelly PLLC

APPROVAL OF THE MINUTES OF THE JULY 28, 2021,
MEETING

Representative Norm Bailey moved the approval of the minutes of the July 28, 2021 meeting. His motion was seconded by Member Patrick Martin, and, upon the affirmative vote of the eight (8) members present, the Chair declared the motion adopted.

CONSIDERATION OF PROPOSED LOAN INCREASE FOR
CONSTRUCTION LOAN, PERMANENT LOAN AND HOME
PROGRAM LOAN FOR CARNEGIE AT 39TH

Nathan Testman informed the Board that in April 2021, the Board approved three financing requests for Carnegie Greene at 39th (the "Project"), a thirty-nine (39) unit Low-Income Housing Tax Credit ("LIHTC") project for seniors in Wheeling. The following loans were approved:

1. Construction loan – up to \$4,340,000
2. Permanent loan – up to \$850,000
3. HOME loan – up to \$866,000

Mr. Testman stated that the COVID-19 pandemic has affected construction material costs leading to an increase in the Project's construction budget and the need to increase all three loan amounts. Staff is requesting approval of the following increased loan amounts: Construction loan of up to \$5,810,000 (previously \$4,340,000), Permanent loan of up to \$975,000 (previously \$850,000), and increased HOME loan of up to \$1,100,000 (previously \$866,000). Mr. Testman explained that these changes represent the only changes to the Project from the Board's April 2021 approval.

Representative Bailey moved to approve the request for the increased Construction loan of up to \$5,810,000, as presented. His motion was seconded by Member Martin, and, upon the affirmative vote of the eight (8) members present, the Chair declared the motion adopted.

Representative Bailey moved to approve the request for the increased Permanent loan of up to \$975,000, 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.

Representative Bailey moved to approve the request for the increased HOME loan of up to \$1,100,000, as presented. His motion was seconded by Member Martin, and, upon the affirmative vote of the eight (8) members present, the Chair declared the motion adopted.

CONSIDERATION OF HOUSING TRUST FUND LOAN FOR
FIREFLY COMMONS (WOODLAND DEVELOPMENT)

Mr. Testman presented a Housing Trust Fund loan request from Firefly Commons, LP, to finance the new construction of Firefly Commons (the "Project"), a 16-unit Low-Income Housing Tax Credit Program ("LIHTCP") project located in Elkins, Randolph County. The Project will include four (4) one-bedroom units and twelve (12) two-bedroom units. Six (6) units are designated for tenants with income at or below 30% Area Median Income (AMI) and ten (10) units are designated for tenants with income at or below 60% AMI.

Mr. Testman informed the Board that the developer for the Project is Woodlands Development Group, Inc. ("Woodlands"). Woodlands has been developing rural affordable housing projects with Fund financing for over twenty years and has positively impacted Randolph County and its surrounding counties with twenty projects and eighty units. Given the developer's experience and the presence of Project-Based Rental Assistance for 8 of the units in the Project, staff has a high level of confidence in the development of the proposed project.

Mr. Testman stated that staff is requesting approval of a Housing Trust Fund Loan to Firefly Commons, LP in the amount of up to \$923,000, with a fixed rate of up to 1.0%, for a term of 30 years. During construction, the Housing Trust Fund Loan will be secured by a second lien deed of trust on the land and improvements known as Firefly Commons, a Letter of Credit equal to 15% of the construction contract, and the Corporate guarantees of Woodlands Development Group, Inc., Highland Community Builders, Inc., and Firefly Management LLC. After construction, the loan will be secured by a first lien deed of trust and the operating and replacement reserves associated with the Project.

Member Martin moved to approve the request for the Housing Trust Fund Loan to Firefly Commons, LP, for the financing of Firefly Commons, 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.

ANNUAL ELECTION OF OFFICERS AND APPOINTMENT OF ASSISTANT OFFICERS

Member Sam Kapourales joined the meeting.

Erica Boggess stated that, under West Virginia Code §§ 31-18-4 (g) and 31-18-5 (d), the Board must annually elect a Vice-Chair, Secretary and Treasurer from its membership. The Chair of the Board is the Governor or his designee. Vice-Chair and Treasurer positions are currently vacant and Bob Nistendirk serves as Secretary. Ms. Boggess explained that the State Treasurer usually serves as the Fund's Treasurer.

Member Martin moved to nominate Chris Stansbury as Vice-Chair, Bob Nistendirk as Secretary, and State Treasurer Riley Moore as Treasurer. His motion was seconded by Member John Gianola, and, upon the affirmative vote of the nine (9) members present, the Chair declared the motion adopted.

Member Martin moved to approve the nominations of Chris Stansbury as Vice-Chair, Bob Nistendirk as Secretary, and State Treasurer Riley Moore as Treasurer. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the nine (9) members present, the Chair declared the motion adopted.

Ms. Boggess noted that, under Article V, Sections 3 and 4 of the Fund's Bylaws, the Board may appoint or designate one or more Assistant Secretaries and Assistant Treasurers.

Ms. Boggess stated that staff recommends the reappointment of Crystal Toney and Julie Davis as Assistant Treasurers, and the reappointment of Kristin Shaffer and Martha Lilly as Assistant Secretaries.

Representative Bailey moved to reappoint Crystal Toney and Julie Davis as Assistant Treasurers and to reappoint Kristin Shaffer and Martha Lilly as Assistant Secretaries. His motion was seconded by Member Martin, and, upon the approval of the nine (9) members present, the Chair declared the motion adopted.

INFORMATIONAL ITEMS - UPDATE ON MOUNTAINEER
RENTAL ASSISTANCE PROGRAM AND HOUSING ASSISTANCE
FUND

Ms. Boggess presented an update on the Mountaineer Rental Assistance Program and the Housing Assistance Fund.

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

Member Martin moved that the Board enter Executive Session to discuss legal matters pursuant to W. Va. Code §6-9A-4(b)(7). His motion was seconded by Representative Bailey, and, upon the affirmative vote of the nine (9) members present, the Chair declared the motion adopted. The Board adjourned into Executive Session at 9:51 a.m.

The Executive Session concluded at 10:13 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 Martin. Meeting adjourned at 10:14 a.m.



Kristin Shaffer, Assistant Secretary