

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
WEST VIRGINIA HOUSING DEVELOPMENT FUND
December 14, 2022

The regular meeting of the Board of Directors of the West Virginia Housing Development Fund (the "Fund") was held on Wednesday, December 14, 2022. The Board of Directors attended via video conferencing and via phone. The video conferencing information was made available to the public in the Notice of Meeting of the Board of Directors posted on the West Virginia Secretary of State website and the Fund's website. No members of the public attended the meeting. The Chair called the meeting to order at 9:02 a.m. with the following members present throughout, except where noted.

Ann Urling, Chair (via video)
Norm Bailey, Representative for the Honorable Kent Leonhardt, Commissioner of Agriculture (via video)
Kara Hughes, Representative for the Honorable Riley Moore, State Treasurer (via phone)
Sam Kapourales, Member (via phone)
Patrick Martin, Member (via video)
Kris Raynes, Member (via phone)
Steven Travis, Representative for the Honorable Patrick Morrissey, Attorney General (via phone)

Members Absent:

Bob Nistendirk, Member
Allen Retton, Member

Staff present:

Erica Boggess, Executive Director
Cathy Colby, Senior Manager – Home and HTF Programs
Julie Davis, Deputy Director – Production
Zach Fisher, Internal Auditor
Maggie Leaptrot, Chief Financial Officer
Chad Leport, Division Manager – Finance and Federal Financial Compliance
Martha Lilly, Legal Assistant
Michael Lindsco, Manager – Asset Management
Kelley Ridling, Senior Manager – Internal Audit
Lori Ryan, Executive Assistant
Kristin Shaffer, Senior Legal Counsel
Claire Spradling, Loan Processor and Closer
Nathan Testman, Senior Division Manager – Multifamily Lending
Crystal Toney, Deputy Director – Administration

Others Present:

Samme Gee - Jackson Kelly PLLC

Kelley Goes – Jackson Kelly PLLC
Anne Little – The Woda Group, Inc.
Tim Simons – The Woda Group, Inc.
Jeffrey Woda – The Woda Group, Inc.

APPROVAL OF THE MINUTES OF THE NOVEMBER 16, 2022,
MEETING

Representative Steven Travis moved the approval of the minutes of the November 16, 2022 meeting. His motion was seconded by Representative Kara Hughes, and, upon the affirmative vote of the six (6) members present, the Chair declared the motion adopted.

FINANCIAL STATEMENTS AND DELINQUENCY REPORT
FOR THE PERIOD ENDED NOVEMBER 30, 2022

Maggie Leaptrot presented the financial statements and delinquency reports for the period ended November 30, 2022. The financials and delinquency reports were accepted as presented.

CONSIDERATION OF A BOND AUTHORIZING RESOLUTION
FOR CONDUIT FINANCING UP TO \$27,000,000 FOR THE
PRICHARD

Member Kris Raynes joined the meeting.

Chad Leport requested the Board's approval of the Bond Authorizing Resolution for The Prichard project and explained that the Board approved a Bond Inducement Resolution on behalf of Prichard Hotel Restoration, LLLP at the September 28, 2022 meeting.

Mr. Leport stated that the bond issuance will be in an amount not to exceed \$27,000,000 and that the bonds are required to qualify the project for 4% tax credits. The Fund will serve as the conduit issuer, which will provide Prichard Hotel Restoration, LLLP, the borrower, access to the tax-exempt market. The bond proceeds, along with other funds, will provide the borrower with financing for the acquisition, rehabilitation, construction and improvement of The Prichard, a 108-unit residential rental housing project located in Huntington, WV. The bonds have an expected thirty-six (36) month maturity. The maximum interest rate will not exceed 15%.

Mr. Leport stated that staff is asking the Board's approval of the Bond Authorizing Resolution for the project approving the following: The issuance of the Bonds in an amount not to exceed 27,000,000; the execution and delivery of the Bonds; providing parameters for establishing the provisions for redemption, maturity and interest rate and other terms of the Bonds; appointing the Executive Director as the issuer representative to approve final terms and bond pricing within such parameters; the execution and delivery of a Financing Agreement; appointing bond counsel, general counsel, and financial advisor; approval of the allocation of Bond Volume Cap to the Bonds; authorizing the execution and delivery of all documents in connection with the issuance of the Bonds to which the Housing Development Fund is a party (the Bond Documents); ; and all other actions relating to such financing and the Bond Documents, in substantially the form presented.

Member Sam Kapourales moved the approval of the Bond Authorizing Resolution and bond documents in substantially the form presented. His motion was seconded by Member Pat Martin, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

A copy of the Bond Authorizing Resolution along with supporting documents is attached as Exhibit A.

CONSIDERATION OF A HOUSING TRUST FUND LOAN AND A
HOME PROGRAM LOAN FOR THE PRICHARD

Nathan Testman provided a summary of four percent (4%) Low-Income Housing Tax Credits and then presented two loan requests from Prichard Hotel Restoration LLLP for the acquisition and adaptive reuse of a one hundred eight (108) unit Low-Income Housing Tax Credit Program ("LIHTCP") project located in Huntington known as The Prichard.

Mr. Testman stated that the project will consist of one (1) building. Eleven (11) units are designated for tenants with income at or below 50% Area Median Income (AMI) and ninety-seven (97) units are designated for tenants with income at or below 60% AMI.

Mr. Testman informed the Board that the Developer for the Project is Winterwood Development, LLC, whose managing member is Carol Worsham. Ms. Worsham and the principal officers of Winterwood Development have combined real estate development experience of over 150 years. Winterwood's development portfolio consists of over 60 affordable housing communities in Kentucky and North Carolina representing over 2,600 units and investments of over \$290 million. Staff has a high level of confidence in Winterwood's ability to develop the proposed project. Mr. Testman noted that 98 of the units also benefit from Project-Based Rental Assistance, which covers rent costs that exceed 30% of a tenant's income.

Mr. Testman stated that staff is requesting approval of a HOME Program Loan in the amount of up to \$2,800,000, with a fixed interest rate of up to 1.0%, for a term of up to 30 years. The Home Loan will be secured by a third lien deed of trust on the land and improvements known as The Prichard. During construction, the HOME Program loan will be secured by Payment and Performance Bonds equal to 100% of the construction contract, the personal guarantee of Carol S. Worsham, and the corporate guarantees of Prichard Hotel Restoration LLLP, Winterwood Development, LLC, Winterwood Prichard Hotel Restoration, LLC, Cornerstone Community Development Corporation, and Masterworks GP, LLC. Limited non-recourse guarantees of the corporate entities may also be required during the permanent phase.

Member Martin moved to approve the request for the HOME Program Loan for the acquisition and adaptive reuse of The Prichard, as presented. His motion was seconded by Member Kapourales, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

Mr. Testman stated that staff is requesting approval of a Housing Trust Fund Loan in the amount of up to \$1,152,000, with a fixed interest rate of up to 1.0%, for a term of up to 30 years. The Housing Trust Fund Loan will be secured by a fourth lien deed of trust on the land and improvements known as The Prichard. During construction, the Housing Trust Fund loan will be secured by Payment and Performance Bonds equal to 100% of the construction contract, the personal guarantee of Carol S. Worsham and the corporate guarantees of Prichard Hotel Restoration LLLP, Winterwood Development, LLC, Winterwood Prichard Hotel Restoration, LLC, Cornerstone Community Development Corporation, and Masterworks GP,

LLC. Limited non-recourse guarantees of the corporate entities may also be required during the permanent phase.

Member Martin moved to approve the request for the Housing Trust Fund Loan for the acquisition and adaptive reuse of The Prichard, as presented. His motion was seconded by Member Kapourales, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

CONSIDERATION OF A MULTIFAMILY PROGRAM
CONSTRUCTION LOAN, MULTIFAMILY PROGRAM
PERMANENT LOAN AND A HOUSING TRUST FUND LOAN FOR
NORTH PARK APARTMENTS

Nathan Testman presented three loan requests from NPA Wheeling, LP, to provide rehabilitation and permanent financing of a one hundred four (104) unit Low-Income Housing Tax Credit Program ("LIHTCP") project located in Wheeling known as North Park Apartments.

Mr. Testman stated that the Project will consist of six (6) buildings. Twenty-six (26) units are designated for tenants with income at or below 40% Area Median Income (AMI) and seventy-eight (78) units are designated for tenants with income at or below 60% AMI.

Mr. Testman informed the Board that the developer for the project is Millenia Housing Development, LTD ("Millenia"). Millenia is owned by Frank T. Sinito, Malisse Sinito and Angelica Sinito. Millenia is a very experienced multifamily housing developer with a portfolio that consists of over 280 multifamily residential units in 26 states representing over 30,000 housing units. This includes the development of 5 LIHTC projects representing 480 units in West Virginia. Given its extensive experience, staff has a high level of confidence in its ability to develop the proposed project.

Mr. Testman noted that the Board materials include an error and that THS National, LLC is the contractor for the project.

Mr. Testman stated that staff is requesting approval of a Multifamily Construction Loan in the amount of up to \$7,700,000, with a fixed interest rate of up to 4.0%, for a term of up to 24 months. The Multifamily Construction Loan will be secured by a first lien deed of trust on the land and improvements known as North Park Apartments, the personal guarantees of Frank T. Sinito and Malisse J. Sinito, and the corporate guarantee of NPA Wheeling Investment, LLC. During construction, the loan will be further secured by Payment and Performance Bonds equal to 100% of the construction contract.

Member Martin moved to approve the request for the Multifamily Construction Loan for the rehabilitation and permanent financing of North Park Apartments, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the seven (7) 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 \$2,700,000, with a fixed interest rate of up to 4.25%, for a term of the earlier of 40 years or the expiration of the Section 8 HAP contract (expiration is estimated to be December of 2042, however, it is expected that this will be renewed during the life of the loan). The Multifamily Permanent Loan will be secured by a first lien deed of trust on the land and improvements known as North Park Apartments and

borrower's operating and replacement reserves associated with the project. Limited, non-recourse guarantees of the corporate owners may be required.

Member Martin moved to approve the request for the Multifamily Permanent Loan for the rehabilitation and permanent financing of North Park Apartments, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

Mr. Testman stated that staff is requesting approval of a Housing Trust Fund Loan in the amount of up to \$3,100,000, with an interest rate of up to 1%, for a term of 30 years. The Housing Trust Fund Loan will be secured by a second lien deed of trust on the land and improvements known as North Park Apartments and by the Borrower's operating and replacement reserves associated with the Project. During construction, the loan will be secured by Payment & Performance Bonds equal to 100% of the construction contract. During construction, the loan will include the personal guarantees of Frank T. Sinito and Malisse J. Sanito as well as the corporate guarantee of NPA Wheeling Investment, LLC. Limited, non-recourse guarantees of the guarantors above may also be required during the permanent phase.

Member Martin moved to approve the request for the Housing Trust Fund Loan for the rehabilitation and permanent financing of North Park Apartments, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the seven (7) members present, the Chair declared the motion adopted.

CONSIDERATION OF A HOME PROGRAM LOAN, AN ERA2
LOAN AND A MULTIFAMILY PROGRAM PERMANENT LOAN
FOR CHARMCO LOFTS

Member Kapourales left the meeting.

Nathan Testman presented three (3) loan requests from Charmco Lofts Limited Partnership for the rehabilitation, permanent, and new construction financing of a thirty-nine (39) unit Low-Income Housing Tax Credit Program ("LIHTCP") project located in Charleston known as Charmco Lofts.

Mr. Testman stated that the Project will consist of two (2) buildings. Ten (10) units are designated for tenants with income at or below 50% Area Median Income (AMI) and twenty-nine (29) units are designated for tenants with income at or below 60% AMI.

Mr. Testman informed the Board that the developer for the project is The Woda Group, Inc. ("Woda"). Woda is one of the largest affordable housing developers in the country, having created over 16,000 housing units across 16 states. In West Virginia, Woda has produced 44 LIHTC properties for a total of 1,698 units. Given Woda's extensive development experience, staff has a high level of confidence in its ability to develop the proposed project.

Mr. Testman stated that staff is requesting approval of a HOME Program Loan in the amount of up to \$2,000,000, with a fixed interest rate of up to 1.0%, for a term 20 years. The Home Program Loan will be secured by a second lien deed of trust on the land and improvements known as Charmco Lofts, the operating and replacement reserves associated with the project, and, during the construction phase of the project, the corporate guarantees of Charmco Lofts GP, LLC, Woda Construction, Inc., Woda Cooper General

Partner, LLC and Woda Cooper Companies, Inc. During the permanent phase of the project, the HOME Program Loan will include limited guarantees on Charmco Lofts, GP, LLC, Woda Cooper General Partner, LLC, and Woda Cooper Companies, Inc.

Member Martin moved to approve the request for the HOME Program Loan for the rehabilitation, permanent financing and new construction of Charmco Lofts, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the six (6) members present, the Chair declared the motion adopted.

Mr. Testman stated that staff is requesting approval of an ERA2 Loan in the amount of up to \$825,000, with an interest rate of 0%, for a term 20 years. The ERA2 Loan will be secured by a third lien deed of trust on the land and improvements known as Charmco Lofts, the operating and replacement reserves associated with the project, and, during the construction phase of the project, the corporate guarantees of Charmco Lofts GP, LLC, Woda Construction, Inc., Woda Cooper General Partner, LLC and Woda Cooper Companies, Inc. During the permanent phase of the project, the ERA2 loan will include limited guarantees on Charmco Lofts, GP, LLC, Woda Cooper General Partner, LLC, and Woda Cooper Companies, Inc.

Member Martin moved to approve the request for the ERA2 Loan for the rehabilitation, permanent, and new construction financing of Charmco Lofts, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the six (6) 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 \$975,000, with a fixed interest rate of up to 4.5%, for a term 20 years. The Multifamily Permanent Loan will be secured by a first lien deed of trust on the land and improvements known as Charmco Lofts, borrower's operating and replacement reserves associated with the project and limited, non-recourse guarantees of Charmco Lofts GP, LLC, Woda Cooper General Partner, LLC and Woda Cooper Companies, Inc.

Member Martin moved to approve the request for the Multifamily Permanent Loan for the rehabilitation, permanent financing and new construction of Charmco Lofts, as presented. His motion was seconded by Representative Bailey, and, upon the affirmative vote of the six (6) members present, the Chair declared the motion adopted.

ADJOURNMENT

There being no further business, Member Martin moved to adjourn the meeting. His motion was seconded by Representative Bailey. Meeting adjourned at 9:57 a.m.



Martha Lilly, Assistant Secretary