

On Thursday, March 22, 2018, New Hampshire Housing Finance Authority held its monthly Board meeting at the Authority's offices located at 32 Constitution Drive, Bedford, NH. Chair Ensign called the meeting to order at 10:35 a.m. The meeting adjourned at 2:00 p.m.

Members Present:

Stephen W. Ensign
Kendall Buck
John Cuddy
Pauline Ikawa
Connie Lane
Amy Lockwood
Mary Beth Rudolph
Stephanye Schuyler
Donald Shumway

Members Absent:

N/A

Authority Counsel Present:

John Deachman, General Counsel
Thomas Collins, Bond Counsel

Others Present:

Dean Christon
Rob Dapice
Pat Donahue
Ben Frost
Debi Granfield
Dawn Hayes
Jane Law
Grace Lessner
Ignatius MacLellan
Heather McCann
Jim Menihane
Chris Miller
Gloria Paradise
Dee Pouliot
Colette Provencher
Bill Ray
George Reagan
David Sargent
Melanie Toscano

Chair Ensign called the meeting to order at 10:35 a.m.

Approval of the Minutes of the February 22, 2018 Meeting: Ms. Rudolph moved, seconded by Ms. Schuyler, and the Board unanimously approved the following motion:

2018-17 The minutes of the February 22, 2018, meeting are approved as presented.

COMMITTEE REPORTS:

Finance and Administration Committee

Ms. Schuyler reported the Finance and Administration Committee met just prior to the Board meeting but there were no action items to bring before the Board.

Homeownership Committee

Approval: Home Flex Plus Loan Product: Ms. Lockwood discussed the Home *Flex* Plus loan program, reviewing the proposed changes. She reported the Committee received a detailed presentation and supports staff's recommendation. (Ms. Lockwood also noted that staff has spoken with lenders about reinstating the repayment obligation and no negative impact is anticipated.) Mr. Christon reported approval of the motion gives staff the authority to set the effective date and he advised this date will be communicated to the Board and staff will keep them informed of the changes made. Ms. Lockwood moved, seconded by Ms. Rudolph, and the Board unanimously approved the following motion:

2018-18 The Board of Directors approves changes to the Home *Flex* Plus loan product as follows:

- The repayment obligation for the product shall be reinstated; and
- Staff is authorized to establish the details for that repayment obligation, including the repayment terms and the effective date of the reinstatement.

Multi-Family Housing Committee

Approval: FY 2019 Public Housing Authority Annual Plan: Mr. Cuddy provided a brief introduction of the FY 2019 Public Housing Authority Annual Plan. Ms. Granfield provided details of the annual plan, noting this is an annual HUD (Housing and Urban Development) requirement. She reported on the public hearing that was held, providing details and also discussed the Project Based Voucher (PBV) plan, answering members' questions. Mr. Cuddy moved, seconded by Ms. Lane, and the Board unanimously approved the following motion:

2018-19 The Board of Directors approves the Public Housing Authority (PHA) Annual Plan for FY 2019 as published.

Approval: Revised Housing Choice Voucher Administrative Plan: Mr. Cuddy provided a brief introduction of the Housing Choice Voucher (HCV) Administrative Plan. Ms. Granfield reviewed the administrative plan, providing background and details, noting this is an internal document which clarifies policies. She reviewed the substantive changes, provided details and answered members' questions. Mr. Cuddy moved, seconded by Mr. Shumway, and the Board unanimously approved the following motion:

2018-20 The Board of Directors approves amendments to the Housing Choice Voucher Administrative Plan as detailed in the April 2018 revision.

Executive Committee

The Executive Committee did not meet in March.

UNFINISHED BUSINESS:

There was no unfinished business to bring before the Board.

NEW BUSINESS:

Staff Presentation: Housing Market Update: Mr. Christon provided a brief introduction of the annual Housing Market Update. Ms. McCann gave a presentation on the Housing Market Update, providing current information and updates on various topics including current home prices, inventory, regional markets, and home trends. She discussed challenges that inventory issues present to first time homebuyers, reviewed construction and foreclosure activity, and affordability. Staff answered members' questions throughout the presentation, including discussing the connection between housing and economic growth.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Christon updated members on key state-level housing legislation, reporting on key bills that are being tracked by the Authority. He provided details on several Senate bills including SB301, relative to the real estate transfer tax; SB557, which would establish a housing appeals board; and SB537, which would enable a multi-state bonding authority. Mr. Christon answered members' questions throughout his discussion.

Mr. Christon then reviewed the latest information regarding the Performance-Based Contract Administration (PBCA) issue, noting that HUD has withdrawn its earlier plan for soliciting national and regional proposals. Staff will keep Board members informed.

Mr. Christon provided an update on other federal activity reporting a federal budget has been negotiated and is expected to pass. He provided details, noting the potential impact to the Authority's programs. Mr. Christon noted this budget will be effective for 2018, which should allow the Authority some additional tax credit capacity for the calendar year.

PROGRAM ACTIVITY REPORTS:

Mr. Christon reviewed the Homeownership Activity Reports noting that, even though loan production levels continue to lag compared to last year's numbers, activity in the last few months has been equal to or above last year. He reported on interest rates and inventory issues and noted that loan production has shifted with more FNMA business than the Authority has historically seen. Mr. Christon discussed the recent Homebuyer fairs which were well attended.

Mr. Christon reviewed the Rental Assistance Program Report, reporting staff continues to wait for the final budget. He discussed the Special Programs and reported on the VASH project-based vouchers, updating members regarding the notice that Harbor Homes has stated their intent to terminate their contract which would allow those vouchers to convert to tenant-based

vouchers. He provided details and advised staff will keep members updated as necessary. Mr. Christon also reported the annual wait list update will be starting soon.

Mr. Christon then reviewed the Multi-Family Development Reports, providing details. He reported on conversations staff had with the Multi-Family Housing Committee concerning the QAP (Qualified Allocation Plan) and noted the hearing on the draft QAP is scheduled for tomorrow with final changes brought to the Board in April.

Finally, Mr. Christon reviewed the financial reports, noting the portfolio continues to shift from whole loans to a mix of Fannie Mae and Ginnie Mae products. He provided details on the delinquency profiles and the effects of this shift, noting the overall delinquency rate has declined. Mr. Christon updated members on foreclosure rates and also noted there were no multi-family delinquencies to report.

COMMITTEE MEETING MINUTES:

The Board had no comments on the Committee minutes as presented.

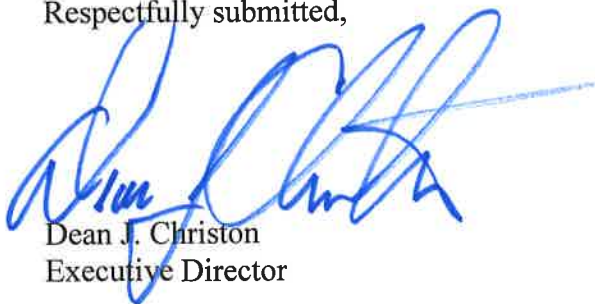
Mr. Christon then reviewed the upcoming meetings and events and also discussed member availability for a potential planning session in June.

There being no further business to bring before the Board, the meeting was recessed at 11:32 a.m.

At 11:45 a.m. the meeting resumed and Board and staff members discussed strategic issues related to the FY 2019 Program Plan and Budget. No additional votes were taken.

The meeting adjourned at 2:00 p.m.

Respectfully submitted,



Dean J. Christon
Executive Director