

On Thursday, January 24, 2019, 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 10:31 a.m. The meeting adjourned at 12:38 p.m.

Members Present:

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

Members Absent:

N/A

Authority Counsel Present:

John Deachman, General Counsel
Tom Collins, Bond Counsel

Others Present:

Dean Christon
Rob Dapice
Pat Donahue
Ben Frost
Debi Granfield
David Hebert
Natalie Kenney
Jane Law
Ann Lemire
Grace Lessner
Ignatius MacLellan
Jim Menihane
Chris Miller
Julia Morgan
Darren O'Toole
Dee Pouliot
Colette Provencher
Bill Ray
David Sargent

Barbara Feldman, BAML
Bill Shanahan, NNEHIF
Jeffrey Siefert, TD Bank
Jim Stretz, G.K. Baum

Chair Ensign called the meeting to order at 10:31 a.m.

Approval of the Minutes of the December 20, 2018 Meeting: Mr. Cuddy moved, seconded by Ms. Schuyler, and the Board unanimously approved the following motion:

2019-01 The minutes of the December 20, 2018, meeting are approved as presented.

COMMITTEE REPORTS:

Finance and Administration Committee

Approval: Biennial Housing Plan: Ms. Schuyler provided a brief review of the Biennial Housing Plan and noted the plan is a requirement of the Authority's statute. Ms. Schuyler moved, seconded by Ms. Ikawa, and the Board unanimously approved the following motion:

2019-02 The Board of Directors authorizes the publication and submission of the 2019-2020 Biennial Housing Plan.

Homeownership Committee

There was no Homeownership Committee meeting in January.

Multi-Family Housing Committee

Approval: Project Financing – Lane House: Ms. Morgan reported on the Lane House project, providing details of the project. She reviewed the HAP Section 8 Contract and sponsor and then provided details of the proposed funding. Mr. Christon discussed the construction resources committed to the project, reviewing the proposed upgrades and improvements and noted the value of the Federal Financing Bank program for this project. Mr. Cuddy moved, seconded by Ms. Lane, and the Board unanimously approved the following motion:

2019-03 The Board of Directors approves the following financing for the Lane House project located in Littleton, New Hampshire, up to the amounts and terms as follows:

<u>Amount</u>	<u>Source</u>	<u>Type</u>	<u>Rate</u>	<u>Term</u>
\$ 3,297,969	FFB ⁽¹⁾	Permanent	4.80% ⁽²⁾	40 Years

The permanent loan will be credit enhanced under the FHA Risk Sharing Program and accordingly the Board approves the credit enhancement under that program, conditional upon FHA approval.

The Executive Director or designee is authorized to execute the security documents required for this transaction, add conditions as necessary and implement short-term modifications to terms as deemed appropriate to facilitate the closing and/or payoff of the above loan(s). All documents shall be reviewed and approved by the Authority's legal counsel.

⁽¹⁾ Federal Finance Bank 100% participation interest.

⁽²⁾ Long-term fixed rates to be established at approximately 100 basis points above the estimated FFB pass-through rate, with consideration for possible fluctuation in the pass-through rate at the time of application and commitment to the rate.

Approval: Project Financing – Lloyd’s Hills Apartments: Ms. Morgan reported on the Lloyd’s Hills Apartments project. She reviewed the project sponsor and provided details of the proposed funding, noting the Federal Home Loan Bank of Boston (FHLBB) Helping to House New England program. Staff answered members’ questions, providing details of funding with regard to the solar array and conditions of funding commitments. Mr. Cuddy moved, seconded by Mr. Shumway, and the Board unanimously approved the following motion:

2019-04 The Board of Directors approves the following financing for the Lloyd’s Hills Apartments project located in Bethlehem, New Hampshire, up to the amounts and terms as follows:

<u>Amount</u>	<u>Source</u>	<u>Type</u>	<u>Rate</u>	<u>Term</u>
\$5,000,000	FHLBB ⁽¹⁾	Construction	1.5%	18 Months

The Executive Director or designee is authorized to execute the security documents required for this transaction, add conditions as necessary and implement short-term modifications to terms as deemed appropriate to facilitate the closing and/or payoff of the above loan(s). All documents shall be reviewed and approved by the Authority’s legal counsel.

⁽¹⁾ The Federal Home Loan Bank of Boston (FHLBB) Helping to House New England Program revolving loan fund secured and controlled by the Authority.

Executive Committee

The Executive Committee did not meet in January.

UNFINISHED BUSINESS:

There was no unfinished business to bring before the Board.

NEW BUSINESS:

Presentation: Bill Shanahan, President, Northern New England Housing Investment Fund: Mr. Christon provided a brief introduction of Bill Shanahan of the Northern New England Housing Investment Fund (NNEHIF) explaining the partnership between NNEHIF and New Hampshire Housing. Mr. Shanahan provided history of the NNEHIF, reviewing their purpose, goals for the future and noting the ongoing asset management relationship with their projects. He provided members with a summary of NNEHIF’s strategic goals, including a desire to diversify and align more closely with Housing Vermont. He then answered members’ questions about issues related to housing credits and Opportunity Zones..

EXECUTIVE DIRECTOR’S REPORT:

Mr. Christon updated members on recent state level legislative activity, including providing details on HB 104, relative to the Housing Appeals Board, and several foreclosure-related bills,

which staff continues to monitor. He discussed several other bills, including bills to allocate resources to the Affordable Housing Fund (AHF) and for funds to be used for transitional housing for mental health clients. Mr. Christon then reported on federal legislation, noting the effects of the current government shutdown.

Mr. Christon then discussed the upcoming NCSHA Legislative Conference, reviewing the agenda and advising members, if they are interested in attending, to let Colette know as soon as possible.

PROGRAM ACTIVITY REPORTS:

Mr. Christon reviewed the Homeownership Activity Reports, noting volume remains on track with last year's level of activity and New Hampshire Housing appears to be maintaining its share of the market. He reported the newly revised agreements have been signed with Fannie Mae, noting the language proposed by the Authority has been adopted by Fannie Mae and is being used as a best practice.

Mr. Christon reviewed the Rental Assistance Program Reports, noting these are the program year end reports. He reported on the 99.8% utilization, which positions the Authority well for the next allocations of funding and resources. Mr. Christon reported that during this government shutdown period, staff is moving forward to implement new special programs that have had recent voucher allocations based on the assumption that resources will continue to be available from Housing and Urban Development (HUD).

Mr. Christon then reviewed the Multi-Family Development Reports. He discussed the Helping House New England (HHNE) program, noting this is the end of the three-year cycle and staff is anticipating the program will be renewed. He provided an update on the applications for the transitional housing program, reporting only two applications were received and staff continues to consider how a more structured approach to technical assistance could be put in place to improve development capacity in the supportive housing community.

Finally, Mr. Christon reviewed the financial reports. He reported single family delinquencies have risen in December, noting this is likely due to year-end timing and staff is anticipating an improvement in January.

COMMITTEE MEETING MINUTES:

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

A motion was made by Mr. Cuddy and seconded by Ms. Schuyler to enter into a non-public session pursuant to RSA 91-A:3, II(b). A unanimous roll call vote was taken and the non-public session began at 11:52 a.m.

Following a period of discussion, a motion was made to leave the non-public session. The motion passed and the public session was reconvened at 12:36 p.m.

A motion was then made by Mr. Cuddy and seconded by Ms. Ikawa to seal the minutes of the non-public session in order to prevent the proposed action from becoming ineffective. A

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unanimous roll call vote was then taken to seal the minutes and the motion passed.

There being no further business to bring before the Board, it was unanimously voted to adjourn the meeting at 12:38 p.m.

Respectfully submitted,



Dean J. Christon
Executive Director