

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING MINUTES
July 15, 2025

Pursuant to the call of the Chair, the Tennessee Housing Development Agency (THDA) Board of Directors (the "Board") met in regular session on Tuesday, July 15, 2025, at 10:10 AM CT in the Nashville Room of the Tennessee Towers, Nashville, Tennessee.

The following board members were present in person: Chair Rick Neal, Stephen Dixon, Dan Springer, Micheal Miller, Corey Divil, Maeghan Jones, Eva Romero, Hancen Sale, Rob Mitchell, Secretary of State Tre Hargett, Sara Queirolo (for Treasurer David Lillard), Katie Armstong (for Comptroller Jason Mumpower), and Alex Schuhmann (for Commissioner Jim Bryson).

Chair Neal welcomed the 2025 THDA Leadership Academy class to the meeting, then opened the floor to anyone present from the public who wished to address the Board. Mr. Joshua Haston, LDG Development, spoke positively about the revisions to the 2026 Qualified Allocation Plan, specifically citing the change of the location score to a housing needs score, the inclusion of income averaging, and the current projection that would allow each geographic pool to receive a tax credit award. He also asked the Board to consider an additional TC award for the Chattanooga region. After Mr. Haston's comments, seeing no others who wished to speak, Chair Neal closed the floor to public comment.

Chair Neal then recognized Executive Director Ralph M. Perrey for his report.

Mr. Perrey shared the following:

- Yesterday, the US House HUD Appropriations Subcommittee began markup on the budgets of several of the programs THDA administers. The initial report is that HOME will be zeroed out on the mistaken notion that States still have \$5 billion in HOME-ARP funds. The two programs are not the same. HOME-ARP is a COVID program for tightly limited purposes. We cannot, for example, use it for housing development or rehab, which is where our HOME dollars go. NCSHA and other housing organizations are working to clear that up in hopes of saving HOME. The Subcommittee is continuing its work; the full House Appropriations Committee markup is scheduled for Thursday.
- The passage of what has been called the Big Beautiful Bill includes two provisions of importance to housing. It provides for a 12.5% increase in the amount of housing tax credits we can allocate. That should mean an additional \$2 ½ to \$3 million for our program in 2026. The bill also lowers the so-called "50% test" – lowering to 25% the threshold at which we can allocate non-competitive 4% tax credits to a development. To the extent that applicants need less bond authority, we will be able to support more multifamily developments next year.

- The Department of Economic and Community Development has allocated an additional \$234.9 million in bond authority to THDA, all of which we will make available for Round 2 of our Multifamily Bond Program. Including bond authority leftover or declined from Round 1, we will have roughly \$300 million to award.

At the conclusion of Mr. Perrey's remarks, Chair Neal recognized Ms. Michell Bosch, Chief Financial Officer, for a financial status update.

Then Chair Neal recognized Ms. Lindsay Hall, the Chief Operating Officer of Single-Family Loan Programs for a Single-Family Programs Business update that included the Real Estate Owned Status of 32 properties totaling \$4.5 million.

Next, Chair Neal recognized Mr. Eric Alexander, Director of Multifamily Programs, for a Multifamily Programs Business Update. Mr. Alexander then gave an overview of the draft 2026 Qualified Allocation Plan. Several board members, including Mr. Neal, Mr. Dixon, Ms. Jones, Mr. Sale and Mr. Mitchell, raised questions about the proposed approach to supportive housing. A significant concern was whether we were unintentionally incentivizing every deal to have a supportive housing component. Staff will look at revisions including simply retaining a set aside for supportive housing in 2026 while seeking further advice on how best to address this housing need. This discussion concluded with the Board agreeing that an additional tax credit allocation received from the federal government would go to new construction in the general priority pool.

Chair Neal then asked for consideration of the May 20, 2025, board meeting minutes. Upon motion by Ms. Romero and a second by Mr. Divel, the motion carried, and the minutes were approved.

Next, Chair Neal recognized Secretary of State Hargett, Chair of the Audit and Budget Committee, to present the Executive Director's Performance Evaluation. Secretary Hargett brought to the Board a recommendation from the Audit and Budget Committee, in the form of a motion and a second, for an Advanced rating for Mr. Perrey's Performance Evaluation. Secretary of State Hargett also stated, that if approved by the Board, the Treasurer, Secretary of State, Board Chair and Mr. Perrey would meet to discuss the evaluation and associated salary actions. Upon vote by the full Board, the motion to approve an Advanced rating for Mr. Perrey's Performance Evaluation was carried.

Next, Chair Neal, Chair of the Bond Finance Committee, brought to the Board a recommendation from the Bond Finance Committee, in the form of a motion and a second, the approval of Bond Issue 2025-2. Upon vote by the full Board, the motion to approve Bond Issue 2025-2 was carried.

Chair Neal recognized Ms. Rebecca Carter, Director of Community Services, to present the 2026 LIHEAP Model Plan as outlined in the memo dated June 30, 2025, from herself, and Don Watt, Chief Programs Officer, as found in the board packet. Ms. Carter highlighted that the key

changes include a revised benefit matrix for utility assistance and program prioritization strategy for Utility Assistance. Upon motion by Mr. Miller and a second by Mr. Springer, the motion to authorize the submission of the 2026 LIHEAP model plan was carried.

Next, Chair Neal recognized Mr. Bill Lord, Director of Community Housing, for an overview of the United Housing/Convergence Memphis Sustaining Grant as outlined in the memo dated June 30, 2025, by himself and Don Watt, Chief, Programs Officer, as found in the board packet. Ms. Amy Schaftlein, Executive Director of United Housing, shared program successes over the last year and future plans. Upon motion by Mr. Miller and a second by Ms. Jones, the motion to approve the sustaining grant request was carried.

Chair Neal then recognized Mr. Bill Lord, Director of Community Housing, for an overview of the Home Builders Institute (HBI) Project Scope Update as outlined in the memo dated June 20, 2025, from himself and Don Watt, Chief, Programs Officer, as found in the board packet. Ms. Emily Price, Senior Vice President, HBI, Mr. Brad Gentry, TN Builders Education Foundation (TBEF), and Ms. Kim Brown, President of TBEF, spoke about the proposed change, the curriculum that would be used, and the need for this skilled labor now. Upon motion by Ms. Romero and a second by Mr. Springer, and one abstention by Mr. Schuhmann, the motion to approve the extension request was carried.

Chair Neal again recognized Mr. Bill Lord, Director of Community Housing, for an overview of a THTF Grant Extension for the Gallatin Housing Authority. Mr. Lord noted that this was the fifth and final extension request on this project, which should be complete in less than the 6 months request. Upon motion by Mr. Miller and a second by Ms. Romero, the motion to approve the extension request was carried.

Chair Neal recognized Mr. Bill Lord, Director of Community Housing, for an overview of a THTF Grant Extension for Project Return. Mr. Lord noted that this was the second extension request on this project, which should be complete within 6 months of this request. Upon motion by Mr. Neal and a second by Mr. Springer, the motion to approve the extension request was carried.

Chair Neal again recognized Mr. Bill Lord, Director of Community Housing, for an overview of an NHTF Grant Extension for MDHA. Mr. Lord noted that this was the second extension request on this project and Mr. Curtis Thomas, Director of Planning & Development, MDHA, explained the delays associated with this request. Upon motion by Mr. Miller and a second by Ms. Romero, the motion to approve the extension request was carried.

Chair Neal again recognized Mr. Bill Lord, Director of Community Housing, for an overview of a CHI-2 Grant Extension for Park Center. Ms. Amanda Bracht, Executive Director & Davide Langgle-Martin, Chief Housing Officer Park Center, explained to the Board the delays supporting this request. Upon motion by Ms. Romero and a second by Mr. Divil, the motion to approve the extension request was carried.

Noting that all action items for the Board were completed, Chair Neal acknowledged additional board materials in the Annex.

With no further business, the meeting was adjourned at 11:45 AM CT.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "RSM Perrey", with a long horizontal line extending to the right.

Ralph M. Perrey
Executive Director

Approved this 23rd day of September 2025