

SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

300-C Outlet Pointe Blvd.

Columbia, SC 29210

Regular Board Meeting

SEPTEMBER 17, 2014 AT 10:00 A.M.

French Quarter Inn
166 Church Street
Charleston, S.C.

- I.** Call to Order (10:00 a.m.) **NOTE TIME**
- II.** Freedom of Information Act Statement & Recognition of Guests
- III.** Adoption of Proposed Agenda
- IV.** Regular Session
 - A. Approval of Minutes of August 13, 2014 Chairman Union
 - B. Program Committee Laura Nicholson
 - 1. Housing Trust Fund Awards
 - C. Bond Committee Tracey Easton
 - 1. Preliminary Approval for Mortgage Revenue Bonds
 - D. Discussion of a Proposed Agency Name Change Valarie Williams
 - E. Consideration of 2015 Proposed Board Meeting Schedule Chairman Union
 - F. Reports Chairman Union
 - 1. Chairman Valarie Williams
 - 2. Executive Director Ed Knight
 - 3. Deputy Director for Programs James Galluzzo
 - 4. Human Resource Report
- V.** Other Business
- VI.** Executive Session
- VII.** Next Meeting – October 15, 2014
- VIII.** Adjournment



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

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Christopher N. Union
Chairman

Valarie M. Williams
Executive Director

REGULAR COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority met on Tuesday, August 13, 2014 at approximately 10:00 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners were in attendance:

Christopher N. Union, Chairman
Robert Mickle, Vice Chairman
Charles E. Gardner
Chris Goodall
Ernest Magaro, Jr.
Kenneth E. Ormand, Jr.
Mary Sieck

The following Commissioner was excused: John Hill.

Staff and Guests attending the meeting included the following:

STAFF:

Valarie M. Williams, Executive Director
Ed Knight, Deputy Director for Programs
Richard Hutto, Deputy Director for Administration
Wayne Sams, Internal Auditor & Investor Services
Tracey Easton, General Counsel
Matt Rivers, SC HELP & Mortgage Production
Laura Nicholson, Development
Claude Spurlock, Mortgage Production
Lisa Rivers, Mortgage Servicing
Reggie M. Bell, Marketing & Procurement
James Galluzzo, Human Resources
Andrew Ritner, Legal
Bonita Shropshire, Executive Assistant

GUESTS: Raymond High, Citi
Michael E Kozlarek, Parker Poe Adams & Bernstein LLP
Cristina Rhodebeck, Regions Bank
Sam Howell, Howell Linkous & Nettles
Chris Foster, The Hampstead Group
James Burton, The Hampstead Group

Chairman Union called the meeting to order and asked Valarie Williams to read into the record the Freedom of Information Statement.

“As required by the provisions of Section 30-4-80(e) of the Code of Laws of South Carolina, notification of this meeting has been given to all persons, organizations, local news media, and other news media which have requested such notifications.”

Agenda

The Chairman asked if there were any additions or corrections to the proposed agenda.

MOTION Commissioner Mickle moved to adopt the agenda as presented. The motion received a second from Commissioner Sieck. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Minutes

Chairman Union asked if there were any additions or corrections to the minutes of June 18, 2014. There being none, he called for a motion to approve the minutes.

MOTION Commissioner Mickle moved to approve the minutes of June 18, 2014 as presented. The motion received a second from Commissioner Hill. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Market Update

Chairman Union called on Raymond High with Citigroup to present the Market Update. Mr. High began with a general market overview, followed by a brief municipal market update and concluded with a single family financing update.

Bond Committee

Final Resolution - Ashley Arms Apartments

Ms. Easton presented a Resolution that makes Provision for the Issuance of not exceeding \$6.6 million for a Multifamily Rental Housing Revenue Bond named Ashley Arms Apartments. She reported that the 100 unit Development is located in Charleston County and is an acquisition and rehabilitation. She reminded the Board of its' preliminary approval at the June 18, 2014

meeting and the S.C. Budget and Control Board gave approval at its' meeting on August 12, 2014. Ms. Easton stated that Staff recommended approval of the Resolution to the Bond Committee at an earlier meeting that morning.

MOTION Commissioner Mickle moved to approve the Resolution. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Final Resolution - St. Andrews Gardens Apartments

Ms. Easton continued by presenting a Resolution that makes Provision for the Issuance of not exceeding \$15 million for a Multifamily Rental Housing Revenue Bond named St. Andrews Gardens Apartments. She reported that the 228 unit Development is located in Charleston County and is an acquisition and rehabilitation. She reminded the Board of its' preliminary approval at the June 18, 2014 meeting and the S.C. Budget and Control Board gave approval at its' meeting on August 12, 2014. Ms. Easton stated that Staff recommended approval of the Resolution to the Bond Committee at an earlier meeting that morning.

MOTION Commissioner Mickle moved to approve the Resolution. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Finance and Audit Committee

Consideration of the Fiscal Year 2016 Budget

The Chairman called on Richard Hutto to present the FY 2016 Budget. Mr. Hutto presented the Budget and stated that there were no changes made since the Budget was presented at the June board meeting. After a brief overview, Mr. Hutto asked for approval of the FY 2016 Budget in the amount of \$182,071,667. Commissioner Mickle stated that the Finance and Audit Committee had received and reviewed the Budget request in an earlier meeting and recommends approval by the full board.

MOTION Commissioner Mickle recommended approval of the FY 2016 Budget; the motion received a second by Commissioner Gardner. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Resolution – Office of Lt. Governor MOA

The Chairman called on Ed Knight to present the next agenda item. Mr. Knight presented a Resolution that would allow the Authority to allocate \$250,000 to the Office of Aging within the S.C. Office of the Lieutenant Governor. According to Mr. Knight the funds will be used to provide emergency rental assistance for senior citizens. Mr. Knight stated that Staff recommended approval of the Resolution to the Program Committee earlier that morning.

MOTION Commissioner Gardner moved to approve the Resolution. The motion received a second from Commissioner Sieck. After a brief discussion, all Commissioners voted in the affirmative and the motion carried.

Tax Credit Awards Update

Chairman Union asked Laura Nicholson to provide the Tax Credit program update. According to Ms. Nicholson, staff received 49 applications and allocated tax credits to 21 developments with a total credit allocation of \$11,173,164. Ms. Nicholson reported that the official award list was posted on August 1, 2014 and developers have until August 15, 2014 to sign and return documents acknowledging their acceptance of the allocation. She reported that if a developer decides not to execute their allocation documents, Authority staff will fund the next eligible development on the waiting list. The Board accepted the report as information.

Homeownership

SC HELP Update

The Chairman asked Matt Rivers for an update on SC HELP. Mr. Rivers reported that the numbers of new customer account registrations and number of approved applications continue to remain stable. Mr. Rivers also announced that Treasury approved the new Neighborhood Initiative Program (NIP) on July 31, 2014. According to Mr. Rivers, NIP will provide funding to units of local government, in partnership with non-profit agencies, to facilitate the acquisition and demolition of blighted properties. Mr. Rivers concluded his report by providing a detailed analysis of SC HELP's performance compared to other hardest-hit states, production statistics, and committed and disbursed funds. The Board accepted the report as information.

Mortgage Production Update

Mr. Rivers continued his presentation with a Mortgage Production Update. According to Mr. Rivers, the 2014 Palmetto Heroes Program was extremely successful and as of late July all funding was fully reserved.

Before concluding with the normal monthly mortgage production charts, Mr. Rivers announced that staff is currently working on a new bond deal that would allow the Authority to purchase FHA and Conventional loans, the plans to service the loans in-house. The Board accepted the report as information.

Marketing Update

The Chairman asked Reggie Bell to present the Marketing Update. Mr. Bell gave a very thorough update on the marketing efforts of the internal marketing and communications staff and the external marketing firm, Buonasera Media Services. Mr. Bell's report included the objectives and accomplishments of the marketing campaign - highlighting the television commercials that ran statewide, internet advertisements, and numerous TV/radio interviews. Mr. Bell concluded his report with the marketing strategy for FY 2014-2015. The Board accepted the report as information.

SC Housing Corp Board

Chairman Union asked Ms. Tracey Easton to give an overview of the SC Housing Corp. (Housing Corp) Board. Ms. Easton explained that the Housing Corp Bylaws requires that the Authority's Board of Commissioners control the appointments of the Housing Corp's Board. She then gave the names of the current members (John Hill, Chairman; Richard Hutto, Treasurer; Chris Union; and Ed Knight). She noted that Mr. Hill's term was currently expired. Ms. Easton then deferred to Chairman Union to entertain motions to fill the expired seat, and to select a Chairman and Vice-Chairman on the Housing Corp's Board.

Chairman Union called for a nomination to fill the expired seat of Mr. Hill. Commissioner Mickle nominated Mr. Hill to serve on the Housing Corp Board again.

MOTION Commissioner Mickle moved to reappoint Mr. John Hill to the Housing Corp Board. The motion received a second from Commissioner Gardner. There being no other nominations or discussion, all Commissioners voted in the affirmative and the motions carried.

The Chairman then asked for nominations for Chairman and Vice-Chairman of the Housing Corp Board.

MOTION Chairman Ormand moved to reappoint John Hill as Chairman and Chris Union as Vice-Chairman of the Housing Corp Board. The motion received a second from Commissioner Goodall. There being no other nominations or discussion, all Commissioners voted in the affirmative and the motions carried.

Reports**Executive Director**

Chairman Union called on Valarie Williams for the Executive Director's report. Ms. Williams began her report with a reminder of the Board Retreat to be held September 17-18, 2014 in Charleston SC. She continued with a discussion of national housing topics and announced an upcoming roundtable meeting to be held on September 4, 2014 with staff from FHLBank of Atlanta and S.C. Developers.

Deputy Director for Programs

The Chairman asked Ed Knight to give the Programs report. Mr. Knight began with an update on the Project Based Contract Administration contract (PBCA). Mr. Knight continued with his normal monthly reports noting that there were no significant changes.

Human Resources

Chairman Union asked James Galluzzo to present the Human Resource (HR) report. Prior to Mr. Galluzzo speaking, Richard Hutto took a moment to formally introduce him to the Board. Mr. Galluzzo began with personal greetings and then continued with the normal HR

report. He concluded his report by allowing other Managers to introduce the new hires and transfers within their divisions.

Executive Session

The Chairman called for a motion to enter executive session to receive legal advice and to discuss a personnel matter.

MOTION Commissioner Mickle moved to enter executive session for the purpose of receiving legal advice and to discuss a personnel matter. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.


[EXECUTIVE SESSION]

Upon rising from executive session the Chairman noted that no actions had been taken.


Other Business

There being no additional business to come before the Board, Chairman Union adjourned the meeting.

Respectfully submitted,


Valarie M. Williams, Secretary

Approved: September 17, 2014

By: 
Christopher N. Union, Chairman

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Approved: September 17, 2014

By: _____
Christopher N. Union, Chairman

Division: **Housing Trust Fund**

Subject: **Housing Trust Fund Financial Information**

Fiscal Year Budget Analysis

FY Fund Receipts

Following is an analysis of projected versus actual receipts coming into the Trust Fund. Actual Receipts includes Deed Transfer Fee revenue, P&I payments received on outstanding loans, and other payoffs/returns of previously disbursed funds.

Housing Trust Fund Receipts			
FY 2015			
	Projected	Actual	Variance
May-14	564,318.27	782,394.90	218,076.63
June-14	608,729.54	832,008.48	223,278.94
July-14	706,671.92	901,792.71	195,120.79
August-14	720,592.83		-
September-14	708,543.88		-
October-14	733,320.36		-
November-14	655,842.07		-
December-14	696,677.57		-
January-15	630,843.62		-
February-15	847,071.35		-
Mar-15	561,049.65		-
Apr-15	589,743.46		-
Total	8,023,404.52	2,516,196.09	636,476.36
- Admin Fee	<u>(\$500,000.00)</u>		
Original 2015 FY Budget	\$7,523,404.52		

Fiscal YTD Awards by Activity

Activity	Awards to Date	Current Proposals	Total Awards to Date
Owner-Occupied Rehabilitation	-	1,001,250.00	1,001,250.00
Emergency Repairs	-	228,934.64	228,934.64
Group Homes	-	150,000.00	150,000.00
Supportive Housing	-	341,617.00	341,617.00
Multifamily Rental Housing	-	-	-
Totals	\$ -	\$ 1,721,801.64	\$ 1,721,801.64

Fiscal Year Cash Balance Analysis

Unencumbered Cash Balance

Based on the receipts listed above, payoffs of previously approved awards, encumbered funds, and the fiscal year beginning balance, the unencumbered HTF cash balance is:

Cash Balance as of 7/31/2014	8,913,144.24
Less Previous Awards Not Disbursed from 2012, 2013, 2014:	(6,533,986.56)
Less Total Awards in this Cycle:	(1,721,801.64)
Less Pending Administrative Fee	(500,000.00)
Remaining Unencumbered Balance:	\$ 157,356.04

* Previous Awards Not Disbursed and Cash Balance have been reconciled through July 31, 2014.

Division: **Housing Trust Fund**

Subject: **Proposed Housing Trust Fund Awards**

Listed below are 23 proposals with total funds requested of **\$1,492,867.00** for your consideration. These proposals are grouped as follows:

- 2 Group Home for the Disabled proposals for \$150,000.00
- 2 Supportive Housing proposals for \$341,617.00
- 19 Owner Occupied Rehabilitation proposals for \$1,001,250.00

Group Home for the Disabled

Project Number: HTF-13915

HTF Amount: \$75,000.00

CHESCO Services

The Sponsor proposes the acquisition of a 4-bedroom dwelling to provide housing for people with long-term disabilities. The property is located within Chesterfield County.

Project Number: HTF-14015

HTF Amount: \$75,000.00

Community Options, Inc.

The Sponsor proposes the acquisition of a 4-bedroom dwelling to provide housing for people with long-term disabilities. The property is located within Lexington County.

Supportive Housing

Project Number: HTF-14115

HTF Amount: \$300,000.00

Home Alliance, Inc.

The Sponsor proposes the new construction of one 3-bedroom and two 4-bedroom dwellings to provide housing for veterans with disabilities. The properties are located within Horry County.

Project Number: HTF-14215

HTF Amount: \$41,617.00

Homes of Hope, Inc.

The Sponsor proposes the acquisition and rehabilitation of a 2-bedroom dwelling to provide housing for homeless women and children. The property is located within Greenville County.

Owner Occupied Rehabilitation

Project Number: HTF-12015

HTF Amount: \$22,250.00

Allendale County ALIVE, Inc.

The Sponsor proposes to rehabilitate one house for a family within the following county: Allendale.

Project Number: HTF-12115

HTF Amount: \$44,500.00

Anderson Interfaith Ministries

The Sponsor proposes to rehabilitate two houses for families within the following counties: Anderson and Pickens.

Project Number: HTF-12215

HTF Amount: \$66,750.00

Camden First CDC

The Sponsor proposes to rehabilitate three houses for families within the following counties: Kershaw and Lee.

Project Number: HTF-12315

HTF Amount: \$22,250.00

Carolina Communities Foundation, Inc.

The Sponsor proposes to rehabilitate one house for a family within the following county:

Barnwell.

Project Number: HTF-12415

HTF Amount: \$22,250.00

Clarendon County CDC

The Sponsor proposes to rehabilitate one house for a family within the following county: Clarendon.

Project Number: HTF-12515

HTF Amount: \$89,000.00

Community Assistance Mentoring Program CAMP

The Sponsor proposes to rehabilitate four houses for families within the following counties: Richland, Chester, Florence and Orangeburg.

Project Number: HTF-12615

HTF Amount: \$22,250.00

Community Assistance Provider

The Sponsor proposes to rehabilitate one house for a family within the following county: Calhoun.

Project Number: HTF-12715

HTF Amount: \$22,250.00

Community Development & Improvement Corporation (CDIC)

The Sponsor proposes to rehabilitate one house for a family within the following county: Aiken.

Project Number: HTF-12815

HTF Amount: \$22,250.00

Freedom Empowerment Building Program

The Sponsor proposes to rehabilitate one house for a family within the following county: Colleton.

Project Number: HTF-12915

HTF Amount: \$89,000.00

Grand Strand Housing & CDC

The Sponsor proposes to rehabilitate four houses for families within the following counties: Georgetown and Horry.

Project Number: HTF-13015

HTF Amount: \$89,000.00

Hands of Faith CDC

The Sponsor proposes to rehabilitate four houses for families within the following

counties: Richland, Lee, Bamberg and Lexington.

Project Number: HTF-13115

HTF Amount: \$89,000.00

HoJac Enterprises, Inc.

The Sponsor proposes to rehabilitate four houses for families within the following counties: Orangeburg, Calhoun, Lexington and Aiken.

Project Number: HTF-13215

HTF Amount: \$66,750.00

Kevin Brown Ministries

The Sponsor proposes to rehabilitate three houses for families within the following counties: Berkeley, Dorchester and Charleston.

Project Number: HTF-13315

HTF Amount: \$66,750.00

Low Country Community Services, Inc.

The Sponsor proposes to rehabilitate three houses for families within the following counties: Berkeley, Charleston and Colleton.

Project Number: HTF-13415

HTF Amount: \$66,750.00

Nehemiah CRC

The Sponsor proposes to rehabilitate three houses for families within the following county: Greenville.

Project Number: HTF-13515

HTF Amount: \$89,000.00

Palmland Community Development Foundation

The Sponsor proposes to rehabilitate four houses for families within the following counties: Richland, Sumter, Kershaw and Fairfield.

Project Number: HTF-13615

HTF Amount: \$66,750.00

Rural Initiatives Foundation, Inc.

The Sponsor proposes to rehabilitate three houses for families within the following counties: Edgefield, Aiken and Lexington.

Project Number: HTF-13715

HTF Amount: \$22,250.00

Tackling the Streets

The Sponsor proposes to rehabilitate one house for a family within the following county:

Anderson.

Project Number: HTF-13815

HTF Amount: \$22,250.00

Upstate Housing Partnership

The Sponsor proposes to rehabilitate one house for a family within the following county:
Spartanburg.

DIVISION: Legal

SUBJECT: Consideration of a Resolution making preliminary provision for the issuance of not exceeding \$100,000,000 aggregate principal amount of South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2014A (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary, and other matters related thereto.

This Resolution makes preliminary provision for approval of a bond issuance/refunding not exceeding \$100,000,000. The bonds for Series 2014A (or such other numbering convention as may be necessary) may be tax-exempt and/or taxable bonds and will not utilize any of the Authority's bond cap allocation.

This represents a return to our Mortgage Revenue Bond program that was amended in 2012 and allows us to hold whole loans or mortgage backed securities.

This Resolution makes provision for submission of the request to the State Budget and Control Board for their approval.

This Resolution provides for the Authority to sell bonds, execute a Purchase Contract and distribute Preliminary and Final Official Statements in addition to general authority not inconsistent with the intent of the Resolution.

Staff recommends approval of the resolution.

A RESOLUTION

MAKING PRELIMINARY PROVISION FOR THE ISSUANCE OF NOT EXCEEDING \$100,000,000 AGGREGATE PRINCIPAL AMOUNT OF SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY MORTGAGE REVENUE BONDS, SERIES 2014A (TAX-EXEMPT AND/OR TAXABLE) OR SUCH OTHER NUMBERING CONVENTION AS MAY BE NECESSARY, AND OTHER MATTERS RELATED THERETO.

WHEREAS, the South Carolina State Housing Finance and Development Authority (the “Authority”) is authorized and empowered by Title 31, Chapter 13, Code of Laws of South Carolina 1976, as amended (the “Act”) to issue bonds, the principal proceeds of which will be used to provide sanitary and safe residential housing for persons and families of low income and of moderate to low income at prices which such persons can afford and/or refund any such bonds of the Authority; and

WHEREAS, upon making a determination that a demand for money for mortgage loans is sufficient to justify the issuance of bonds and upon the approval of the State Budget and Control Board of South Carolina (the “State Board”), the Authority may, from time to time, issue its bonds for the purpose of obtaining funds with which to provide sanitary and safe residential housing for beneficiary classes at prices which such persons can afford and/or refund any such bonds of the Authority; and

WHEREAS, the Authority has formulated a plan for the issuance of tax-exempt and/or taxable South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2014A (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary, which may include long-term tax-exempt bonds and/or long-term taxable bonds not requiring State Ceiling (the “Series 2014A Bonds”), in one or more series pursuant to the Act, such plan being conditioned upon the Authority’s underwriters’ ability to sell bonds in a principal amount of not exceeding \$100,000,000; and

WHEREAS, the Authority is an “issuing authority,” as such term is used in Act No. 117 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina 1987 establishing a plan for the allocation of the State of South Carolina’s volume limitation with respect to private activity bonds (as defined in Section 141 of the Internal Revenue Code of 1986) imposed by the Tax Reform Act of 1986; and

WHEREAS, the Authority has determined that there exists both a demand and a need for affordable mortgage money such as to justify the issuance of the Series 2014A Bonds upon the terms and conditions stated herein; and

WHEREAS, in light of additional demand for mortgage loans, the Authority has formulated a plan for the issuance of the Series 2014A Bonds in one or more series pursuant to the Act, and upon approval by the State Board of the issuance of such Series 2014A Bonds; and

WHEREAS, such plan is not conditioned upon the granting by the State Board of any additional allocation of the State Ceiling established by the Tax Reform Act of 1986 (the “State Ceiling”); and

WHEREAS, the Authority proposes (i) to make provision for one or more additional series of tax-exempt bonds comprising a portion of the Series 2014A Bonds, certain of which may require the use of State Ceiling previously allocated to the Authority; (ii) to make provision for one or more additional series of tax-exempt bonds which will comprise a portion of the Series 2014A Bonds for the purpose of

refunding certain bonds of the Authority; and (iii) to make provision for one or more additional series of taxable bonds which will comprise a portion of the Series 2014A Bonds for the purpose of refunding certain bonds of the Authority all in an aggregate amount not to exceed \$100,000,000; and

WHEREAS, the primary purpose of the Series 2014A Bonds is to finance mortgage loans directly (or indirectly through mortgage backed securities) and the refunding of prior bonds of the Authority; and

WHEREAS, the Authority has determined that refunding certain of its prior bonds will result in lower total interest costs, after taking into consideration the costs of such refunding, and is expected to provide overall better economic return to the Authority over the life of the Series 2014A Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED:

Section 1. Adoption of Premises. Each statement of fact set forth in the preamble hereto has been carefully examined and has been found to be in all respects true and correct.

Section 2. Sale of the Series 2014A Bonds; Execution of Purchase Contract. The Chairman (the "Chairman") of the Board of Commissioners of the Authority (the "Board of Commissioners") and the Executive Director (the "Executive Director") of the Authority and each of them are hereby authorized to sell any or all of the Series 2014A Bonds to the Authority's underwriters (the "Underwriters") headed by Citigroup Global Markets Inc. pursuant to the terms and conditions of a Purchase Contract in substantially the form heretofore employed by the Authority in connection with the sale of its mortgage revenue bonds. The Authority hereby conferred may be exercised as long as the issuance and delivery of the Series 2014A Bonds will not result in a lowering of the credit rating on the Authority's mortgage revenue bonds. The Chairman and the Executive Director shall ensure that the arrangements for the sale of the Series 2014A Bonds comply with the Authority's general policy regarding distribution of bonds and availability to residents of the State of South Carolina and with the terms and conditions stated herein.

Section 3. Preliminary and Final Official Statement. The distribution and use of preliminary and final official statements in connection with the sale of the Series 2014A Bonds is hereby authorized. Said preliminary and final official statements shall be in substantially the forms heretofore used in connection with the distribution of the Authority's mortgage revenue bonds with such changes, additions, deletions, or modifications as are consistent with the details of the Series 2014A Bonds or as are recommended by the Underwriters and accepted by disclosure counsel, bond counsel and the staff of the Authority. The Chairman and the Executive Director are hereby authorized and directed to take such action as they deem appropriate or as is requested of either of them in connection with the distribution of preliminary and/or final official statements.

Section 4. Petition to the State Budget and Control Board. The Chairman, the Executive Director, and/or the legal counsel to the Authority are hereby authorized and directed to prepare and present in a Petition to the State Board (the form of such Petition in substantially final form is attached hereto as Exhibit A). Such petition shall include the information prescribed by §31-13-220 of the Act which shall include, among other things, a request that the issuance of the Series 2014A Bonds be approved by the State Board, the pertinent terms and provisions of the Series 2014A Bonds determined as provided in this Resolution, and of the outstanding bonds of the Authority.

Section 5. Resolution of State Budget and Control Board. The Authority approves the form of Resolution of the State Board in the form attached hereto as Exhibit B.

Section 6. Series 2014A Supplemental Resolution. The Board of Commissioners in a meeting duly assembled shall be presented with a Series 2014A Supplemental Resolution in substantially the form as previous bond issues submitted to it at such time when the details of the Series 2014A Bonds are known.

Section 7. General Authority. The Board of Commissioners and its appropriate officers, attorneys, agents, and employees are hereby authorized to do all acts and things required of them by this Resolution or consistent or desirable in connection with the requirements hereof for the full, punctual, and complete performance of all the terms, covenants, and purposes contained in the Series 2014A Bonds and this Resolution, and each such member of the Board of Commissioners, officer, attorney, and employee is hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby and hereby.

Section 8. Law and Place of Enforcement of the Resolution. This Resolution shall be construed and interpreted in accordance with the laws of the State of South Carolina.

Section 9. Effective Date. This Resolution shall become effective immediately upon its adoption by the Board of Commissioners.

Section 10. Severability. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 11. Repeal of Inconsistent Resolutions. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its passage and approval.

EXHIBIT A

STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON

_____)	
TO THE STATE BUDGET AND CONTROL)	
)	PETITION
BOARD OF SOUTH CAROLINA)	
_____)	

This Petition of the South Carolina State Housing Finance and Development Authority (the "Authority") respectfully shows:

1. The Authority is empowered by the provisions of Title 31, Chapter 13, Code of Laws of South Carolina 1976, as amended (the "Act") upon the approval of the State Budget and Control Board of South Carolina (the "State Board"), to issue bonds, the principal proceeds of which are to be applied to providing sanitary and safe residential housing for persons and families of low and moderate to low income at prices which such persons can afford and/or to refund any such bonds of the Authority.

2. The Authority has determined that there exists both a demand, and a need for money to provide mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes at affordable prices. In order to meet such demand, the Authority requests that it be empowered to issue and sell one or more series of long-term tax-exempt bonds and/or long-term taxable bonds in an amount not to exceed \$100,000,000 to make such mortgage loans directly (or indirectly through mortgage backed securities) and/or to refund any such bonds of the Authority. Certain taxable and refunding portions of the Series 2014A Bonds (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary will not require the use of the State Ceiling. The Series 2014A Bonds (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary are collectively referred to as the "Series 2014A Bonds".

3. The Series 2014A Bonds, other than any portion of which are taxable, if any, will be "private activity bonds" within the meaning of such term in Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"), which imposes a "volume cap" on private activity bonds (other than most refunding bonds) by way of a "State Ceiling" (as such term is used in Section 146(d) of the Code) applicable to each state.

4. The Authority is an "issuing authority" as such term is used in South Carolina Code Section 1-11-500, et seq., which proclaims the plan for allocating the State Ceiling on the issuance of tax-exempt private activity bonds in South Carolina, and devolves upon the State Board the responsibility for making allocations of the State Ceiling.

5. The Authority may utilize, to the extent required by the Code, State Ceiling carryforward previously allocated to the Authority so that the tax-exempt portion of the Series 2014A Bonds may be issued.

6. The Series 2014A Bonds will be issued pursuant to the General Resolution adopted by the Authority on September 13, 1994, a copy of which has been filed with the State Board, and one or more Supplemental Resolutions to be adopted by the Authority.

7. It is anticipated that the Series 2014A Bonds will be sold at prices and at rates which will enable the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes at competitive rates. The primary purpose of the Series 2014A Bonds is refunding prior bonds of the Authority and the Authority has determined that refunding certain of its prior bonds will result in lower total interest costs, after taking into consideration the costs of such refunding, and is expected to provide overall better economic return to the Authority over the life of the Series 2014A Bonds.

8. The income to be received by the Authority from the mortgage loans purchased directly with the proceeds of the Series 2014A Bonds (or indirectly through mortgage backed securities) and invested reserves will produce a spread within any applicable arbitrage limits imposed by the United States Treasury but will at the same time provide a proper margin to insure the prompt payment of the principal of and interest on the Series 2014A Bonds as they mature and money to pay the expenses of the Authority for its program, including expenses incident to the servicing of the loans purchased with the proceeds of the Series 2014A Bonds.

9. This Petition constitutes the Authority's request that the State Board approve the issuance of the Series 2014A Bonds.

10. It is anticipated that the Series 2014A Bonds will be rated at least "Aa" by Moody's Investors Service, Inc.

11. The Authority requests that the State Board delegate to the State Treasurer (i) the ability to approve the principal amount and interest rate on the Series 2014A Bonds, (ii) to approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the Series 2014A Bonds; (iii) to approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the Series 2014A Bonds; (iv) to approve the terms and conditions of the Purchase Contract; and (v) upon making a determination that the funds anticipated to be available for the payment of the Authority's bonds, including the Series 2014A Bonds, will be sufficient to provide for the payment of principal and interest thereon, to grant on behalf of the State Board final approval for the issuance of the Series 2014A Bonds. Prior to the issuance and delivery of the Series 2014A Bonds, the Authority will submit to the State Board all information required by §31-13-220 of the Act, to wit:

- (a) the purpose and the principal amount of the Series 2014A Bonds to be issued;
- (b) the maturity schedule of the Series 2014A Bonds to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds; and
- (e) the method to be employed in selling the Series 2014A Bonds.

12. The Authority stands ready to produce any further information required by the State Board.

WHEREFORE, on the basis of the foregoing, the Authority prays:

That the State Board approve the issuance of the Series 2014A Bonds.

Respectfully submitted,

SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT AUTHORITY

By: _____
Its: _____

September 17, 2014

THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

A RESOLUTION

APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY MORTGAGE REVENUE BONDS, SERIES 2014A (TAX-EXEMPT AND/OR TAXABLE) OR SUCH OTHER NUMBERING CONVENTION AS MAY BE NECESSARY

WHEREAS, pursuant to Chapter 13, Title 31, Code of Laws of South Carolina, 1976, as amended, (the “Act”), upon the approval of the State Budget and Control Board of South Carolina (the “State Board”), the South Carolina State Housing Finance and Development Authority (the “Authority”) is empowered to issue bonds, the principal proceeds of which will be applied to providing sanitary and safe residential housing for persons and families of low income and moderate-to-low income at prices which such persons can afford and/or to refund any such bonds of the Authority; and

WHEREAS, the Authority heretofore on September 13, 1994, adopted a General Resolution for the issuance of South Carolina State Housing Authority Mortgage Revenue Bonds to provide money for mortgage loans to the beneficiary classes and/or to refund any such bonds of the Authority and afterwards issued multiple series of its bonds pursuant to said General Resolution (the “General Resolution”); and

WHEREAS, in light of additional demand for mortgage loans, the Authority proposes to make provision for the issuance of additional Authority Mortgage Revenue Bonds in one or more series, which may include long-term tax-exempt bonds and/or long-term taxable bonds not requiring additional State Ceiling (the “Series 2014A Bonds”) or such other numbering convention as may be necessary, in an aggregate amount not to exceed \$100,000,000, with the final amount to be determined on the basis of the apparent demand for mortgage loans to be made directly (or indirectly through mortgage backed securities) with the proceeds of the Series 2014A Bonds and when a determination of the appropriate amount of bonds of the Authority for refunding can be made; and

WHEREAS, it is anticipated that the Series 2014A Bonds will be sold to underwriters (the “Underwriters”) headed by Citigroup Global Markets Inc. bearing interest at competitive rates; and

WHEREAS, such sale shall be made pursuant to a purchase contract between the Authority and the Underwriters (the “Purchase Contract”); and

WHEREAS, the State Board has given due consideration to the proposed undertaking of the Authority and wishes to give approval to the issuance and sale of the Series 2014A Bonds, subject to the conditions set forth herein.

NOW, THEREFORE BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

Section 1. Subject to the conditions set forth herein, approval is hereby granted by the State Board to the issuance and sale by the Authority of not exceeding \$100,000,000 South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2014A or such other numbering convention as may be necessary.

The Series 2014A Bonds shall be secured by the General Resolution and shall be further secured by, and subject to such terms and conditions as shall be set forth in, a supplemental resolution or resolutions which shall hereafter be adopted by the Authority.

Section 2. The approval is granted provided that the Authority shall submit to the State Board all information required to be submitted to it pursuant to Section 31-13-220 of the Act such as the following:

- (a) the purpose and the principal amount of the Series 2014A Bonds to be issued;
- (b) the maturity schedule of the Series 2014A Bonds to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds of the Authority; and
- (e) the method to be employed in selling the Series 2014A Bonds

Section 3. The approval is granted subject to the following conditions:

- (a) The Authority shall submit to the State Board all information required to be submitted to it pursuant to Section 31-13-220 of the Act as stated above;
- (b) The State Treasurer shall approve the principal amount of the Series 2014A Bonds and the rate of interest to be borne thereby upon the issuance and delivery thereof;
- (c) The State Treasurer shall approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the Series 2014A Bonds;
- (d) The State Treasurer shall approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the Series 2014A Bonds;
- (e) The State Treasurer shall approve the terms and conditions of the Purchase Contract; and
- (f) The State Treasurer shall approve, upon determination that the funds anticipated to be available for the payment of the Authority's bonds, including the Series 2014A bonds, will be sufficient to provide for the payment of principal and interest thereon.

Section 4. Approval is granted to the undertaking of the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes to enable such borrower to acquire single family homes with all available proceeds from the Series 2014A Bonds and/or to refund any such bonds of the Authority.

STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON

I, the undersigned Secretary of the South Carolina State Housing Finance and Development Authority (the "Authority"), DO HEREBY CERTIFY that the foregoing is a true, correct, and verbatim copy of a Resolution duly adopted by the Authority at a duly called meeting held on September 17, 2014.

WITNESS MY HAND this 17th day of September 2014.

Secretary, South Carolina State Housing Finance and
Development Authority

DIVISION: Executive

SUBJECT: Agency Name Change Discussion

Oral Report

September 17, 2014

DIVISION: Chairman

SUBJECT: 2015 Proposed Board Meeting Schedule

As required by the Authority's Bylaws, regular meetings of the Board of Commissioners shall be held at such times and places as the Board determines; provided that at least two (2) regular meetings shall be held during each calendar quarter.

The proposed schedule meets this requirement and also takes into account NCSHA, NCSHB, and other Authority meetings and conferences.



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: (803) 896-9001

TTY: (803) 896-8831

Christopher N. Union
Chairman

Valarie M. Williams
Executive Director

2015 PROPOSED BOARD MEETING DATES **(Wednesday Meetings)**

January 21

February

(No Board Meeting)

March 18

(NCSHA Legislative Conference March 2 - 4)

April

(No Board Meeting)

(SC Affordable Housing Forum April 21 - 22)

May 20

June 17

(NCSHA Housing Credit Conference June 1 - 4)

July

(No Board Meeting)

August 12*

(NCSHB Workshop TBA)

September 16

(SC Housing Authority Board Retreat Follows)

October 14*

(NCSHA Annual Conference October TBA)

November 18

December

(No Meeting)

***Please note this is the 2nd Wednesday in the month**

Calendar for year 2015 (United States)

January Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 4: C 13: D 20: E 26: F	February Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 3: C 11: D 18: E 25: F	March Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 5: C 13: D 20: E 27: F
April Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 4: C 11: D 18: E 25: F	May Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 3: C 11: D 18: E 25: F	June Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 2: C 9: D 16: E 24: F
July Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 1: C 8: D 15: E 24: F 31: C	August Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 6: D 14: E 22: F 29: C	September Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 5: D 13: E 21: F 27: C
October Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 4: D 12: E 20: F 27: C	November Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 3: D 11: E 19: F 25: C	December Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 3: D 11: E 18: F 25: C

Holidays and Observances:

Jan 1 New Year's Day	May 25 Memorial Day
Jan 19 Martin Luther King Day	Jun 21 Fathers' Day
Feb 14 Valentine's Day	Jul 3 'Independence Day' observed
Feb 16 Presidents' Day	Jul 4 Independence Day
Apr 5 Easter Sunday	Sep 7 Labor Day
Apr 13 Thomas Jefferson's Birthday	Oct 12 Columbus Day (Most regions)
May 10 Mothers' Day	



September 17, 2014

Division: Chairman
Subject: Oral Report

September 17, 2014

Division: Executive
Subject: Oral Report



September 17, 2014

Division: SC HELP

SC HELP Update

Monthly volumes of new customer registrations, approvals and program disbursements continue to be stable. We have continued to make onsite visits to local lenders/servicers to promote the Modification Assistance Program. As a result, the number of applicants approved for the Modification Assistance increased during the month of August. As we are able to resolve more of the operational complexity, we do expect the volume to continually grow.

New Program

With the approval of the Neighborhood Initiative Program (NIP), the application, guidelines and processes are nearing completion. We expect to officially announce the program in October and open for applications in January 2015.

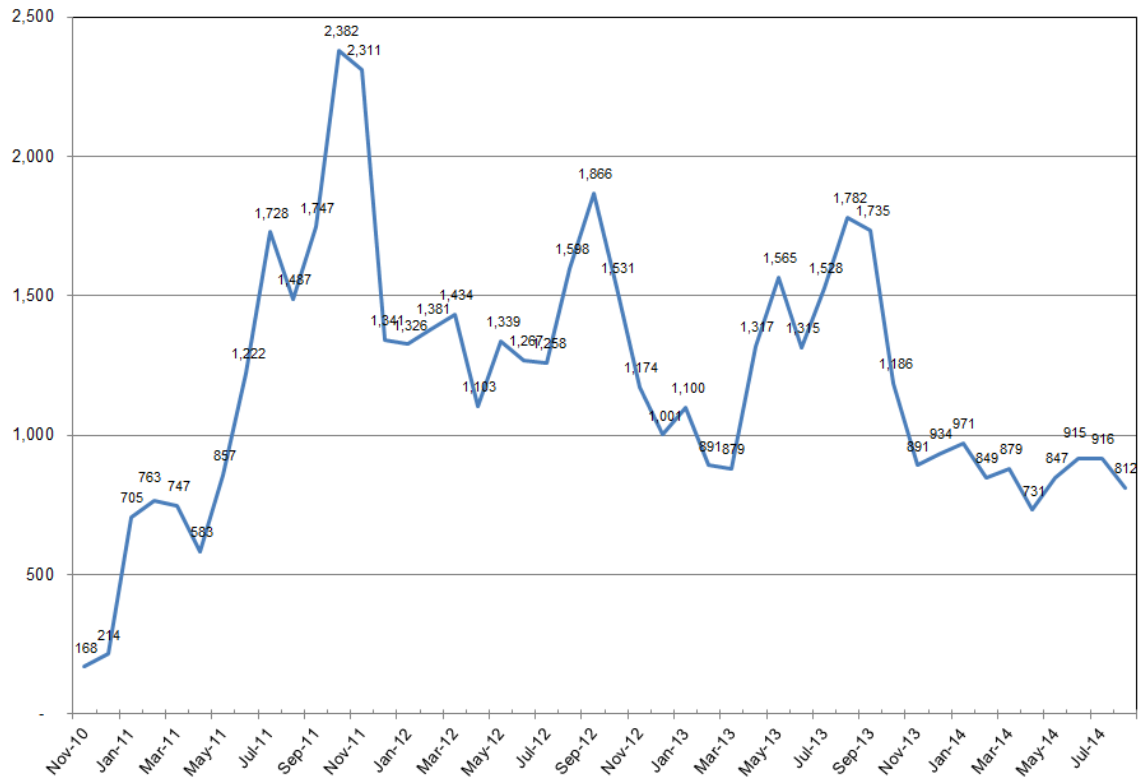
SC HELP Program Performance Data

Production as of August 31, 2014:

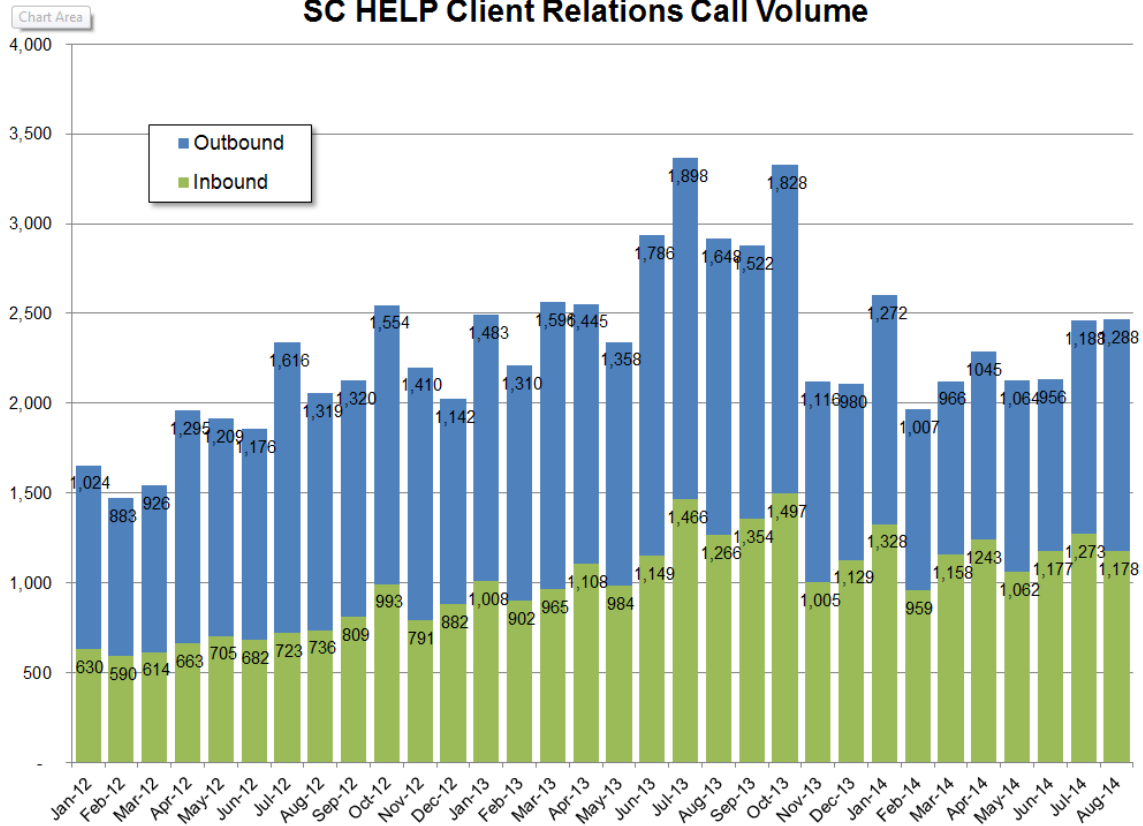
Homeowners Approved & Funded	8,213
Homeowners Approved – Pending	209
Program Funds Disbursed	\$115,872,358
Additional Funds Committed	\$30,259,285

NOTE: Production (applicant and disbursement) numbers are NOT reconciled as of the date of this report. Final reconciled production numbers are provided on the Quarterly Production and Quarterly Financial Reports.

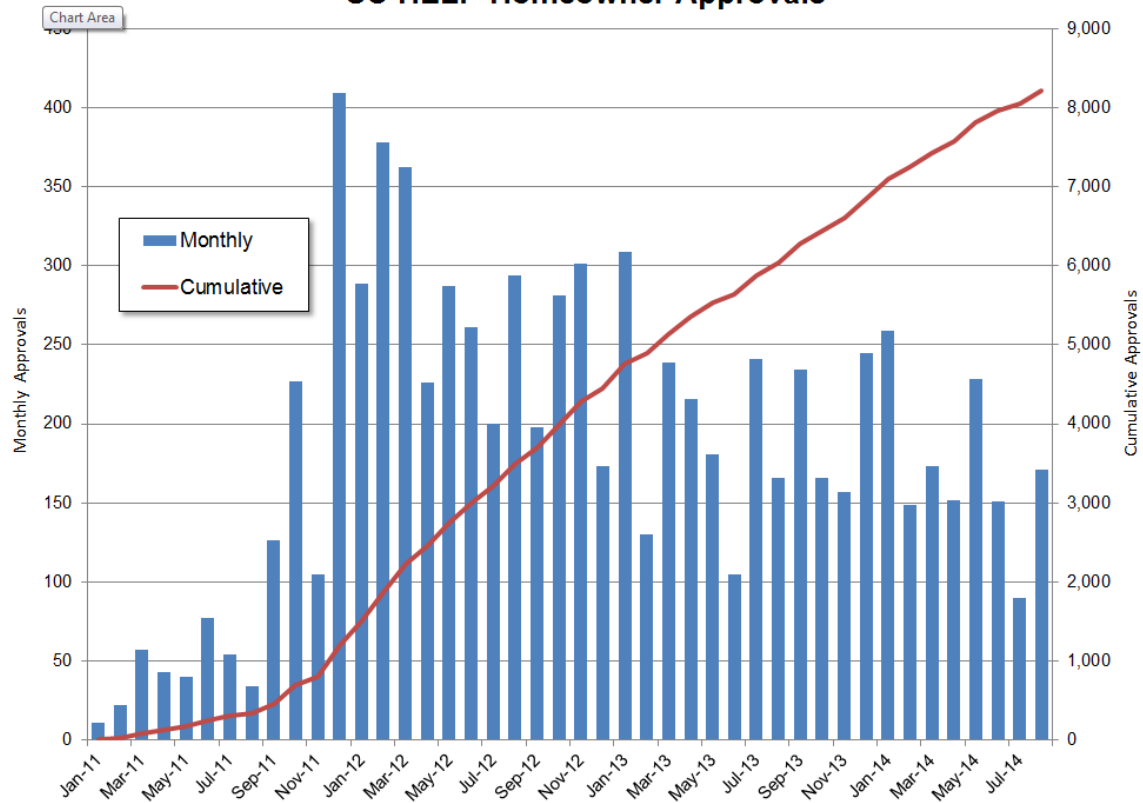
SC HELP New Account Registrations



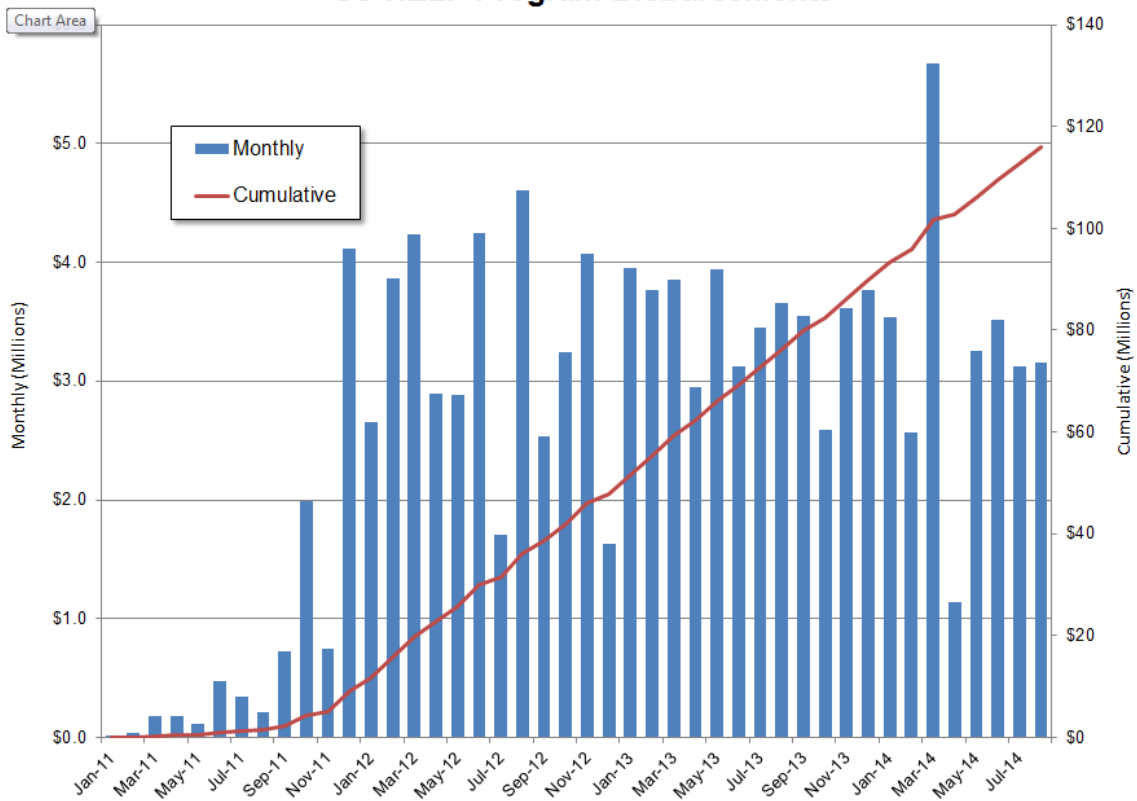
SC HELP Client Relations Call Volume



SC HELP Homeowner Approvals



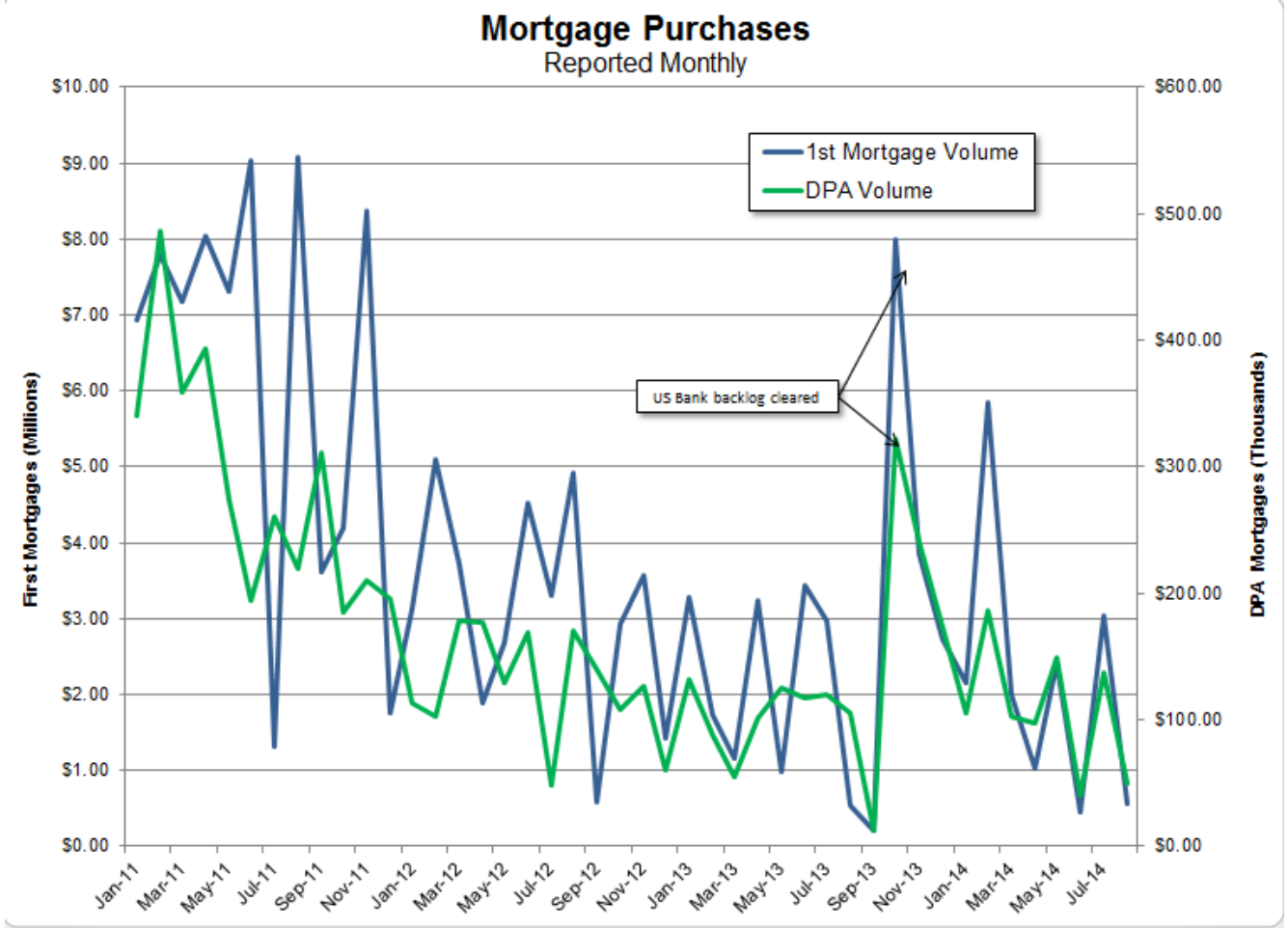
SC HELP Program Disbursements



Mortgage Production Update

Production has slowed with the end of the 2014 Palmetto Heroes Program and with the beginning of the school year. The MCC program had the highest number of approvals in one month with 27 MCC approvals totaling over \$3.5 Million.

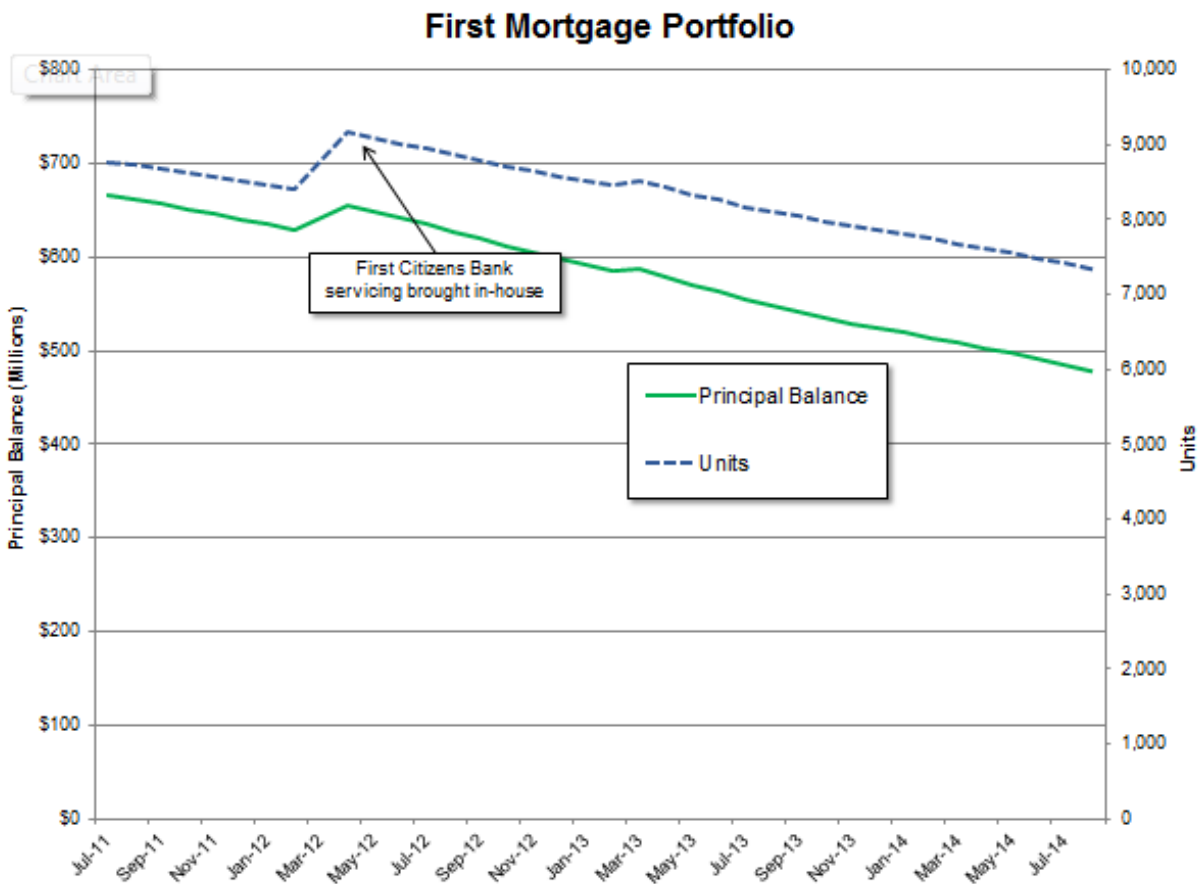
We are currently focused on a new bond deal that would allow us to purchase both FHA and Conventional loans.



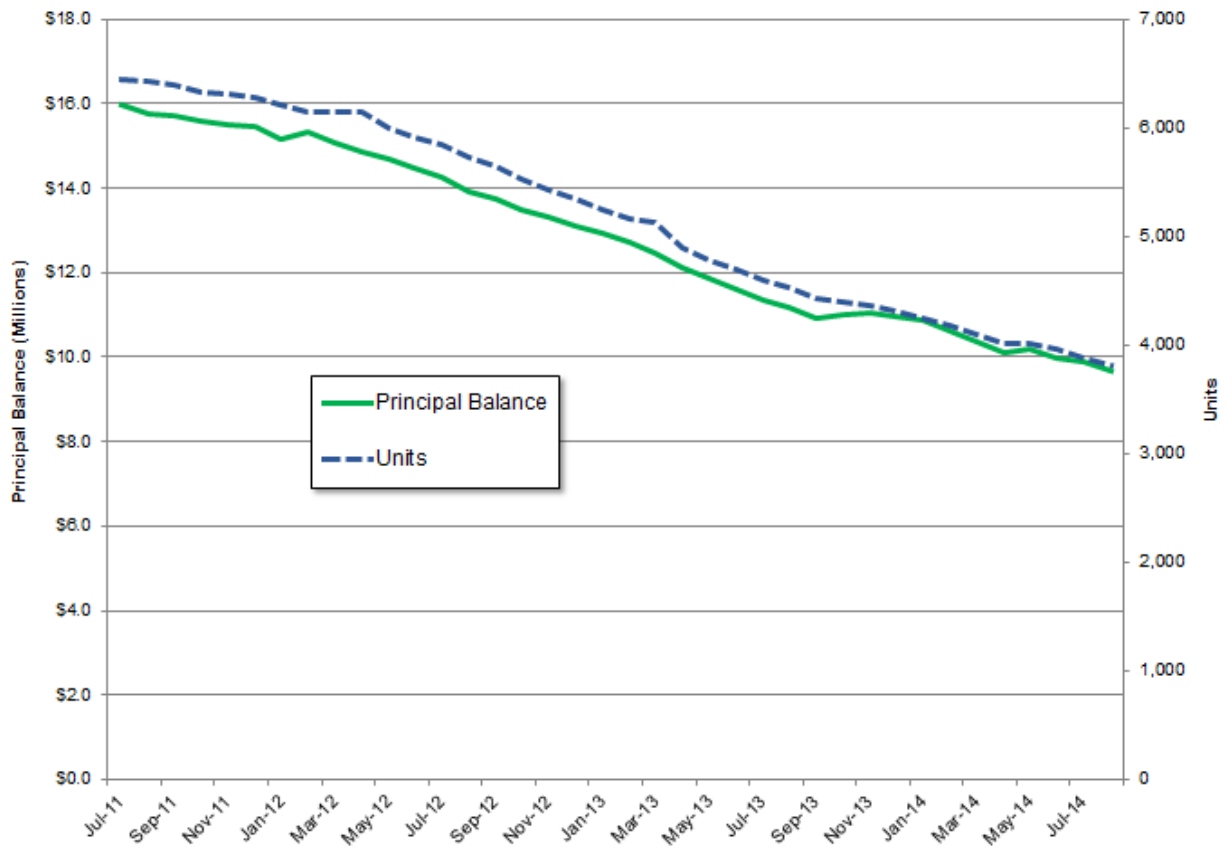
Division: Mortgage Loan Servicing

Delinquency trends continue to mirror the Mortgage Bankers Association (MBA) rates. The trends remain fairly static however with the decreasing total loans, the percentages will reflect increases. Seasonally, delinquencies tend to trend upward during the year-end holidays and summer vacations then drop with tax refunds. In August we saw an increase in the number of delinquencies as is typical during this time of year.

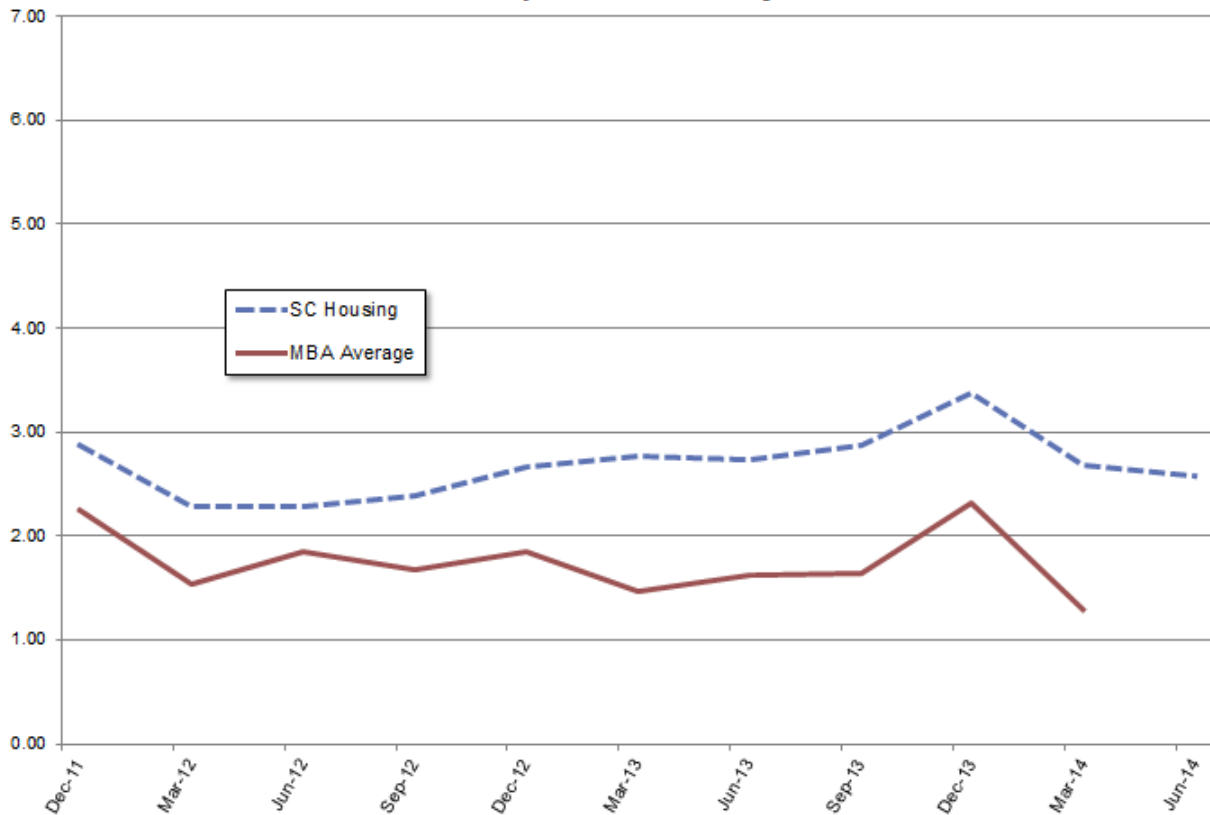
The following graphs reflect trend data for portfolio activity and delinquency totals.



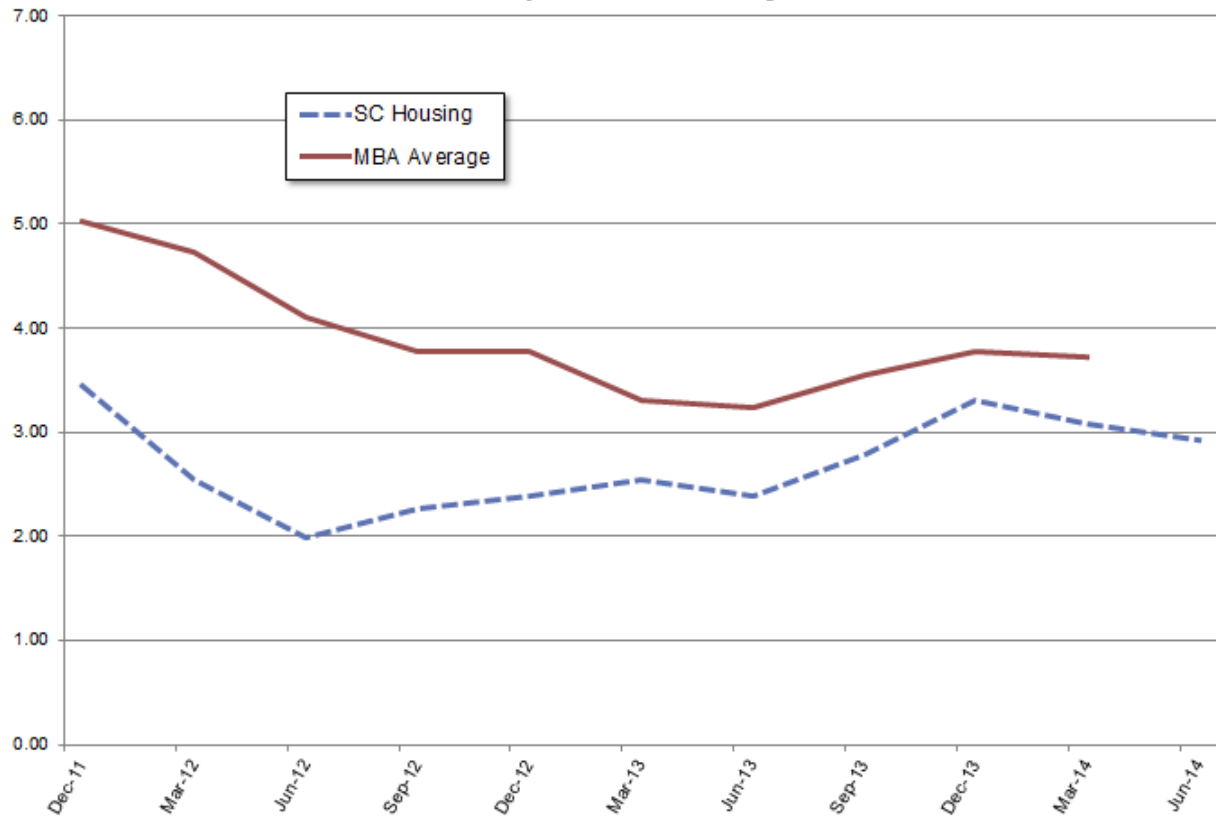
DPA Mortgage Portfolio



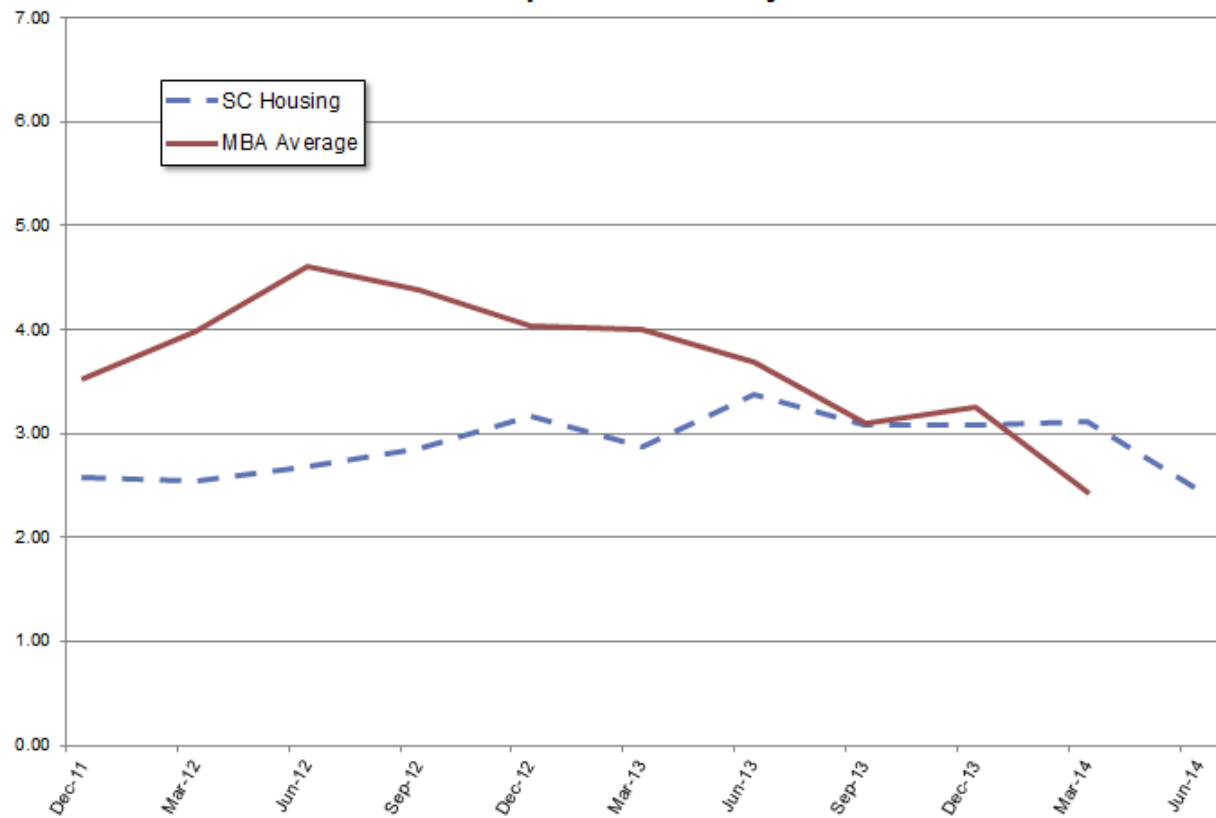
60-Day Delinquency Rates Reported Quarterly



90-Day Delinquency Rates Reported Quarterly



Foreclosure Rates Reported Quarterly



September 17, 2014

Division: Human Resources

Subject: Oral Report

Total Authorized Permanent Positions	146
Filled Permanent Positions	125
Vacancies	21
Authority Temporaries	9
Staffing Agency Temporaries	9

New Hires, Promotions & Transfers

Division/Department	Employee Name	Job Title	Effective Date
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Job Postings:

Department/Title	State Job Title	Vacancy Posting Dates
Homeownership	Program Manager II	8/25/2014 – 9/8/2014
Mortgage Servicing	Program Coordinator I	8/28/2014 – 9/5/2014

Separation of Employment & Retirements

Division/Department	Employee Name	State Job Title	Effective Date
Homeownership	Matt Rivers	Program Manager II	8/19/2014

Announcements:

We would like to congratulate the following members of our first STEPS Leadership class who graduated on September 10, 2014:

Jennifer Cogan, Donna Fletcher, Chris McMillan, Sherri Miller, Hank Moore, Lenzy Morris,
Kim Wilbourne, Lisa Wilkerson and Ashley Sweet

Congratulations are also in order for employees who were selected to be a part of our 2014 class, which started at the end of August:

Nina Carpenter, Mattie Choice, Gabe Creech, Ayesha Driggers, Shante Edmonds, Joseph Kass ,
Jesus Melendez, Nathan Powell, Todd Sipos, Tonya Stroman and Vonda White.