# VIRGINIA HOUSING DEVELOPMENT AUTHORITY

## MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS HELD ON JUNE 17, 2025

Pursuant to the call of the Chair and notice duly given, the regular meeting of the Commissioners of the Virginia Housing Development Authority ("Virginia Housing") was held on June 17, 2025, at the offices of Virginia Housing, 601 South Belvidere Street, Richmond, Virginia.

COMMISSIONERS PRESENT:
Sarah B. Stedfast, Chair
William C. Shelton, Vice Chair
Matthew Fields
Davon Gray
Abigail Johnson
Michael Olivieri
David L. Richardson
Dare Ruffin
Donald E. Scoggins

COMMISSIONERS ABSENT:
Maggie Beal
Dominique Hicks-Whitaker

OTHERS PRESENT:
Tammy Neale, Chief Executive Officer
Fred Bryant, Chief Counsel
Tara Jenkins, Chief of Staff
Monique Johnson, Chief of Programs
Hil Richardson, Chief Financial Officer
Janet Wiglesworth, Chief of Operations
Herman Aparicio, Managing Director of Information Technology
JD Bondurant, Managing Director of Rental Housing
Andrew Burguiere, Managing Director of Capital Markets
David Henderson, Managing Director of Finance and Administration
Steven Mintz, Deputy Chief Counsel
Madelyn Peay, Managing Director of Community Outreach
Mike Urban, Managing Director of Homeownership
Lisa Watson, Managing Director of Human Resources
Marissa Arnold, Executive Program Administrator
Artonda Cheeseman, Executive Office Manager
Shannon Cribbs, Enterprise Portfolio Management Director
Phillip Cunningham, Assistant Director of Tax Credit Programs
Lauren Dillard, Tax Credit Allocation Officer
Fabrizio Fasulo, Director of Policy and Planning
Stephanie Flanders, Director of Tax Credits

Everett Gardner, Associate Deputy Counsel
Kyla Goldsmith-Ray, Communications Director
Salathia Johnson, Associate Chief
Amanda Love, Public Relations Manager
Cindy Patterson, Internal Audit Director
Maria Pruner, Associate Chief
Hope Rutter, Director of Rental Housing Servicing
Jordan Tawney, Associate Tax Credit Allocation Officer
Chris Thompson, Director of Strategic Housing
Jason Thompson, Associate Chief
Josh Childs, Wesley Housing
Bill Curtis, DHCD
Robert Douglas, Arlington resident
Taylor Franklin, The Franklin Group
Nicholas Giacobbe, Arlington resident
Lyn Harper, Mercer (via Webex)
Greta Harris, Better Housing Coalition
Micheal Henzy, Smith & Henzy
Erik Hoffman, Virginia Housing Alliance
Larysa Kautz, Melwood Inc.
Luis Lopez-Stipes, Assistant Secretary of Commerce and Trade
Mary Mayrose, Lynchburg Housing Authority
Kamilah McAfee, Wesley Housing
Tavaris McCoy, The Real McCoy Companies
Stacy Meyer, Arlington resident
Rhonda Mixer, The Franklin Group
James Noel, The Franklin Group
Chris Owens, TM Associates
Elizabeth Parker, Troutman
Adam Stockmaster, TM Associates
Alec Stone, Fox Rothchild LLP
Bruce Watts, Woda Cooper

Chair Stedfast called the regular meeting of the Board of Commissioners to order at approximately 9:59 AM on June 17, 2025. Mr. Bryant confirmed the attendees and noted that former Commissioner Horn had taken a position as Deputy Assistant Secretary at the Department of Housing and Urban Development (HUD) and that Commissioner Beal had been appointed as Interim Director at the Department of Housing and Community Development (DHCD) and Virginia Housing Board member but could not attend the meeting due to her attendance at an event in Southwest Virginia on behalf of the Governor. All the Commissioners listed above as present at the meeting were present at that time and remained present throughout the meeting. Chair Stedfast welcomed Mr. Curtis from DHCD, who would give an update of DHCD's programs as noted below. Chair Stedfast also noted that this meeting would be the last for Commissioners Shelton and Johnson, whose terms expire June 30, 2025, and thanked them for their service to Virginia Housing.

Ms. Flanders presented the final rankings for reservations of credits in the 2025 9% low-income housing tax credits (LIHTC) round. As directed by the Administration, the rankings excluded points for socially disadvantaged individuals (SDI). Ms. Flanders noted that the deletion of the points would require the Board to direct Ms. Neale, as Chief Executive Officer, to sign a waiver of the Qualified Allocation Plan (QAP) for good cause. Staff recommended reservations of credits to fund all deals scoring high enough to be funded plus (i) fully funding the remaining four deals in the Tier 1 At-Large Pool, (ii) funding DRPI in the Local Housing Authority (LHA) Pool, and (iii) funding the four deals with existing awards seeking additional credits that did not score high enough to be funded. Ms. Flanders noted that these recommendations result in a forward allocation of 67% of calendar year 2026 (CY26) credits, which would be a waiver for good cause of the 50% cap on pre-allocations set forth in the QAP. Ms. Flanders also noted that the supplemental materials in the Board papers included all comments on the applications, rankings, and SDI points removal.

Ms. Flanders discussed potential amendments to the QAP for the LIHTC program. Specifically, she noted that the Administration had requested that the Board amend the QAP to delete the SDI points and referenced that such an amendment would be outside of the normal two-year QAP amendment cycle.

Chair Stedfast then opened the floor for public comments. Mr. Bryant reviewed the ground rules for such comments. The following individuals made comments with the topic referenced in parenthesis: Ms. Mayrose (in support of the DRPI development); Mr. Henzy (in support of the DRPI development); Ms. Harris (in support of retaining the SDI points in the QAP); Ms. Kautz (in support of the Wesley-Melwood 9 development); Mr. Giacobbe (in support of the CH6 Nine development); Ms. Meyer (in opposition to the Wesley-Melwood 9 development); Mr. Douglas (in opposition to the Wesley-Melwood 9 development); Mr. Owens (in support of the Birch Island I Apartments and Powhatan Apartments developments); Ms. McAfee (in support of the Wesley-Melwood 9 development); Mr. Watts (in support of retaining the SDI points in the QAP); Mr. Hoffman (in support of retaining the SDI points in the QAP); Mr. McCoy (in support of retaining the SDI points in the QAP); and Mr. Stockmaster (in support of the Birch Island I Apartments and Powhatan Apartments developments).

Following public comments, the Board resumed discussion of the 2025 9% LIHTC rankings. On a motion duly made and seconded, the following was approved by the affirmative vote of a majority of the Commissioners present at the meeting, with Commissioners Stedfast, Fields, Gray, Olivieri, Richardson and Ruffin voting in favor of the motion and Commissioners Shelton, Johnson and Scoggins voting in opposition to the motion: A motion to authorize staff to proceed with the reservations of credits in accordance with the following:

(i) to fund all deals marked as scoring high enough to be funded;

(ii) fully funding the remaining four deals in the Tier 1 At-Large Pool - 501-A Cherry Ave, New Gilpin Court Offsite Phase A, Roanoke Gateway, and Grand Lake;

(iii) funding DRPI in the Local Housing Authority (LHA) Pool;

(iv) funding the four deals with existing awards seeking additional credits that did not score high enough to be funded - Madison Roads Apartments, Witter Place, Choice Neighborhoods V-Downtown and Northwood Village;

(v) forward allocating 67% of CY26 credits, which is a waiver for good cause of the 50% cap on pre-allocations set forth in the QAP; and

(vi) directing Ms. Neale, as CEO, to sign a waiver for good cause of the QAP to exclude SDI points from the final rankings.

The Board resumed discussion of potential amendments to the QAP. On a motion duly made and seconded, the following was approved by the affirmative vote of a majority of the Commissioners present at the meeting, with Commissioners Stedfast, Fields, Gray, Johnson, Olivieri, Richardson, Scoggins and Ruffin voting in favor of the motion and Commissioner Shelton voting in opposition to the motion: A motion to authorize staff to deviate from the standard 2-year schedule for QAP revision, to study the Sponsor Characteristics point categories in the QAP, and to proceed to start the process of revising the QAP - including public notice/hearing and publishing proposed regulations in Virginia Registrar of Regulations - and to bring final regulations to be voted on at the September 10, 2025 Board meeting.

Ms. Neale presented an informational report on the following topics: (i) organization and partner updates, (ii) Virginia Housing's Fiscal Year 2025 (FY25) accomplishments, (iii) Advisory Councils, (iv) updates on initiatives, programs, and news stories concerning Virginia Housing, and (v) congratulations to the 2025 Virginia Housing Emerging Leaders Program (ELP) graduates.

Mr. Curtis summarized recent and upcoming activities of DHCD including the updated interactive Local Housing Policies Dashboard, the updated Residential Sites and Structures Database (DRSS), DHCD's administration of disaster assistance funds, and the recent Local Housing Authority private activity bond cap pool application round.

The meeting was recessed for lunch from approximately 12:25 PM to 12:45 PM.

Chair Stedfast reconvened the meeting at approximately 12:45 PM, all Commissioners noted above as present at the meeting were present at that time and remained present for the remainder of the meeting.

Ms. Neale described Virginia Housing's continued coordination with the Secretary of Commerce and Trade on tracking housing policies, funding and staffing at the federal level, as previously discussed at the April Board meeting. Mr. Fasulo provided an overview of the 2025 Reconciliation Bill, including key adjustments, major spending cuts and potential impacts.

Mr. Fasulo provided a progress report on developing the Virginia Housing Opportunity 2030 Strategic Plan.

Commissioner Richardson, on behalf of the Finance Committee, reported that, at its meetings on June 6, 2025, the Committee received a budget presentation from staff and, at its meeting on June 17, 2025, the Committee voted to recommend to the full Board the adoption of the proposed Fiscal Year 2026 (FY26) budget in the form contained in the Board materials. Commissioner Richardson noted that this included the Executive Committee's recommendation of a performance-based compensation pool of 9% to be administered by management. A motion to approve the FY26 budget as presented by staff by adopting the resolution in the Board materials

entitled "Resolution - Adoption of 2026 Fiscal Year Operating Budget" dated June 17, 2025, was made, seconded, and approved by the affirmative vote of the Commissioners present.

Ms. Watson and Ms. Harper provided an informational report on the Chief Executive Officer evaluation process. They noted that feedback obtained from Board members would be presented at the special Board meeting on August 13, 2025.

Mr. Fasulo presented a summary of Board Brief #19: Affordable Housing Preservation. The brief provided a summary of how preservation is an integral part of any affordable housing strategy.

Chair Stedfast opened the floor for discussion of other Board matters. Commissioner Scoggins encouraged staff to work with the Administration on options for amending the QAP. Chair Stedfast requested that staff provide updates to the Board on the QAP revision process, possibly at the Board meeting on August 13, 2025. Commissioner Shelton stated that he thought the discussion of the QAP had been healthy.

Chair Stedfast, on behalf of the Executive Committee, reported that, at its meeting on June 10, 2025, the Committee had (i) heard from Joshua Hutton, on behalf of PRM Consulting, regarding the salary study of Virginia Housing staff, (ii) made a recommendation to the Finance Committee on staff compensation, as reported in Commissioner Richardson's Finance Committee report, and (iii) reviewed the Chief Executive Officer Performance Management Timeline. Also, Chair Stedfast reported that, at its meeting earlier that morning, the Committee had (i) reviewed the Board meeting Agenda, (ii) received a Chief Executive Officer report from Ms. Neale, and (iii) as the Nominating Committee, nominated Chair Stedfast for Chair and Commissioner Gray for Vice Chair for FY26. Elections for Chair and Vice Chair will be at the Annual Meeting in September.

Mr. Henderson reported on the financials and budget, specifically with respect to Virginia Housing's financial statements as of April: (i) year to date, Virginia Housing achieved $71.0 million in excess revenue over expenses (before GASB Adjustments), which is $4.5 million less than budget and $9.7 million below last year; (ii) year to date net interest margin of $245.5 million, which is $7.2 million under budget but $10.3 million above last year; (iii) year to date programmatic expenses were $15.1 million greater than budget: MSR amort, Loan Acquisition & Pooling Costs were $3.3 million higher than budget and the loan loss provision and expenses were $14.3 million higher than budget; (iv) year to date administrative expenses are $8.2 million lower than budget mostly due to lower than budget staffing costs ($5.0 million) and below budget projects & technology costs ($4.5 million); (v) total assets of $12.2 billion, an increase of $1.5 billion above last year; (vi) total liabilities of $8.2 billion, an increase of $1.4 billion above last year, with the average cost of debt at 3.86% versus 3.55% last year; (vii) a net position of $3.9 billion, an increase of $100.0 million from last year, an annualized increase of 2.6%; (viii) annual investment interest return of 4.38%, which is 0.33% above budget and 0.33% lower than last year; (ix) total market value of investments (excluding cash) was $3.0 billion, including a $68.1 million decrease in GASB 31 market value adjustments, with 76.2% of investments held in money market instruments and 23.6% held in mortgage backed securities ("MBS"); (x) a total mortgage portfolio of $15.5 billion (including loans serviced for the government sponsored entities ("GSEs")), a $880.2 million increase over last year; (xi) total assets and GSE servicing of $17.8 billion, a $1.2

billion increase over last year; and (xii) year to date interest subsidy costs of $14.0 million, which reflects the cost to Virginia Housing of REACH Virginia loan subsidies.

Mr. Burguiere (i) discussed the prior and anticipated bond issuance calendar; (ii) reviewed Virginia Housing's private activity bond cap allocation as of May 15, 2025; and (iii) presented a salient features memorandum for the Rental Housing Bonds, 2025 Series D-Taxable and Series E-Non-AMT (tax-exempt).

Mr. Bryant described the two items on the Consent Agenda and noted that, in the Resolution establishing meeting dates, the April 27-28, 2026, dates would be replaced with May 4-5, 2026. On a motion duly made and seconded to approve the consent agenda, the following, in the forms attached hereto with the revision noted by Mr. Bryant, were approved by the affirmative vote of the Commissioners then present: (i) minutes of the regular meeting of the Commissioners held on April 28-29, 2025, and (ii) a Resolution dated June 17, 2025, entitled "Resolution Establishing 2026 Meeting Dates of the Board of Commissioners."

There being no further business, the meeting was adjourned at approximately 2:05 PM on June 17, 2025.

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Sarah B. Stedfast, Chair Fred W. Bryant, Assistant Secretary

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

MINUTES OF THE REGULAR MEETING OF THE EXECUTIVE COMMITTEE
HELD ON JUNE 17, 2025

Pursuant to the call of the Committee Chair and notice duly given, the meeting of the Executive Committee of the Board of Commissioners of the Virginia Housing Development Authority ("Virginia Housing") was held on June 17, 2025, at the offices of Virginia Housing, 601 South Belvidere Street, Richmond, Virginia.

COMMITTEE MEMBERS PRESENT:
Sarah B. Stedfast, Chair
Davon Gray
David L. Richardson
William C. Shelton

COMMITTEE MEMBERS ABSENT:
None

OTHERS PRESENT:
Tammy Neale, Chief Executive Officer
Fred Bryant, Chief Counsel
Tara Jenkins, Chief of Staff
Monique Johnson, Chief of Programs
Hil Richardson, Chief Financial Officer
Janet Wiglesworth, Chief of Operations
Lisa Watson, Managing Director of Human Resources
Artonda Cheeseman, Executive Office Manager

The meeting of the Executive Committee was called to order by Chair Stedfast at approximately 9:00 AM on June 17, 2025. The members of the Committee listed above as being present at the meeting were present at that time and remained present throughout the meeting.

The Committee reviewed and discussed the agenda for the Board Meeting.

Ms. Neale provided an update on her recent activities as Chief Executive Officer, including discussions with, and direction from, the Secretary of Commerce and Trade regarding the low-income housing tax credit (LIHTC) Qualified Allocation Plan (QAP) and the points therein for Socially Disadvantaged Individuals (SDI). Ms. Neale detailed how these discussions and directions impacted the 9% LIHTC final rankings and QAP agenda items for the Board meeting.

Commissioner Shelton led nominations for Chair of the Board. On a motion duly made and seconded, the Committee approved, by the vote of each of the members of the Committee noted above as present at the meeting, recommending the nomination of Commissioner Stedfast for Chair to the Board of Commissioners. Chair Stedfast led the led nominations for Vice Chair of the Board. On a motion duly made and seconded, the Committee approved, by the vote of each of the members of the Committee noted above as present at the meeting, recommending the nomination of Commissioner Gray for Vice Chair to the Board of Commissioners.

There being no further business, the meeting was adjourned at approximately 9:38 AM on June 17, 2025.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

MINUTES OF THE MEETING OF THE FINANCE COMMITTEE
HELD ON JUNE 17, 2025

Pursuant to the call of the Committee Chair and notice duly given, the meeting of the Finance Committee of the Board of Commissioners of the Virginia Housing Development Authority ("Virginia Housing") was held on June 17, 2025, at the offices of Virginia Housing, 601 South Belvidere Street, Richmond, Virginia.

COMMITTEE MEMBERS PRESENT:
David Richardson, Chair
Sarah B. Stedfast
Matthew Fields
Abigail Johnson
Dare Ruffin

COMMITTEE MEMBERS ABSENT:
Maggie Beal

OTHERS PRESENT:
Tammy Neale, Chief Executive Officer
Fred W. Bryant, Chief Counsel
Tara Jenkins, Chief of Staff
Monique Johnson, Chief of Programs
Hil Richardson, Chief Financial Officer
Janet Wiglesworth, Chief of Operations
David Henderson, Managing Director of Finance and Administration
Artonda Cheeseman, Executive Office Manager

The meeting of the Finance Committee was called to order by Chair Richardson at approximately 9:44 AM on June 17, 2025. All the Commissioners listed above as present at the meeting were present at that time and remained present throughout the meeting. Mr. Bryant noted for the minutes that Commissioner Beal, as the new Interim Director of the Department of Housing and Community Development and by appointment to the Committee by Board Chair Stedfast, had replaced former Commissioner Horn on the Committee. Mr. Bryant further noted that Commissioner Beal was unable to attend due to attending an event in Southwest Virginia on behalf of the Governor.

Chair Richardson noted that the Fiscal Year 2026 (FY26) Budget Presentation in the meeting materials was the same as presented to the Committee at its meeting on June 6, 2025, and that it reflected the Executive Committee's recommendation from its June 10, 2025, meeting of a performance-based compensation pool of 9% to be administered by management. On a motion duly made and seconded, a recommendation to the full Board to adopt the FY26 budget as proposed was approved by the affirmative vote of the Committee members present.

There being no further business, the meeting was adjourned at approximately 9:48 AM.