



Beaufort Jasper Housing Trust (BJHT) Board Meeting Minutes

May 19, 2025

Attendance In Person

Board Members: Victoria Smalls, Jan Malinowski, Ethan James, Dick Stewart, Wendy Zara, Caitlin Reid, Matt Davis, Courtney Hampson, Tom Henz, James Williams, Carmen Washington, Ashley Feaster

Staff and Invited Guests: Claude Hicks and Jennifer Tuckwiller

Absent

Board Members: Christian Kata, Matt Garnes, Camika Beaton

Chairman Stewart welcomed everyone, established a quorum and called the meeting to order at 10 AM.

Chairman Stewart asked for a motion to approve the minutes from the March 17, 2025 meeting. Wendy Zara made a motion to accept the minutes and Jam Malinowski seconded. The motion passed unanimously.

Jennifer Tuckwiller noted an amendment to the Minutes that we adjourned at 12:08 PM rather than 1:08 PM. All in favor.

Chairman of the Finance and Administration Committee, Christian Kata, is absent so Claude Hicks led the financial report. They have initiated invoices to the jurisdictional partners for Year 3, and our tax return is in final review and should be signed soon.

Hilton Head and Jasper haven't paid 2024 dues. Claude has a meeting on June 3 with Hilton Head and a workshop with Jasper on June 9. He will ask what we need to do to be paid, as we know the funds are within the budget of each jurisdiction.

The Amendment to the IGA needs eight signatures. Dick Stewart gave some background on how this organization started and why we are making some refinements now. This discussion led to the next portion of the meeting - proposals from governance.

Chair of the Governance Committee, Ashley Feaster, noted revisions to the Bylaws, which were included in the Board packet circulated ahead of the meeting. She described the changes as needed to align with the IGA and offer electronic voting flexibility.

Matt Davis had a question about Section 4.A.2. regarding "founding sponsors monies" being utilized only with approval by a majority of the Oversight Board. He is wondering how that will be tracked. Jennifer Tuckwiller noted that financials are delineated so we can identify where the funding is coming from and where it is going.

Ashley Feaster brought forward the motion (approved by the Governance committee) to amend the Bylaws. First, however, Ethan James posed a question regarding the language removed in the introductory provision and Section 1.1. of the Bylaws. Dick Stewart noted this organization is no longer limited or prohibited by those rules because we do not fall under the Mescher Act.

Ashley circled back to approval of the proposed amendments to the Bylaws. No second required based on motion from the Governance Committee. The motion passed unanimously.

Ashley brought forward two new Board members, Port Royal Sponsor, Christine Rogers-Raetsch and New Board Member candidate, David House. Resume and Application in the Board Packet.

Second from Jan Malinowski. Matt Davis made note that any candidate that is put forward by a jurisdiction should be affirmatively accepted. Dick Stewart noted that we should still use our judgement. The motion passed unanimously.

Chair of the Programs Committee Wendy Zara reported this year the house and senate withdrew all earmarks, including BJHT's requests for workforce/affordable housing initiatives in the region. Applied for \$7M, hoping for \$5M - decision happened at the last minute and took everyone by surprise. Senator Tom Davis talked with Wendy Zara about how we may adjust for next year to ensure this doesn't happen again. Senator Davis will help connect our organization with the State Housing Agency, under whom we may receive funding in the future.

Claude Hicks said we are not over-extended, and we don't have a grant round set up for this year - so we're OK without these expected earmarks. He described pursuit of non-state grants, or the concept of working with the SC Housing and Finance Agency to obtain pro-rata portion of home repair funds sent to Beaufort / Jasper Counties.

Dick Stewart noted we may be able to pick up funds from other agencies - military and tourism are the two largest economic drivers in Beaufort County. Also, there may be opportunity in the economic development side of the House given we are feeling the effects of a decrease in economic development curtailed by lack of affordable housing (i.e., closure of grocery store for lack of employees who can afford to live nearby, etc.).

Dick further described that Hilton Head recently lost a few folks in affordable housing within the last thirty (30) days. Claude has reached out to see if we can do anything to assist.

Finally, Claude noted Lowcountry Legal Volunteers received the Federal Home Loan / Heirs Property grant - we hope to coordinate with them to see if we can provide any support.

Turning next to our Executive Director report, Claude Hicks, described:

- Continuing to meet with local, regional, and state entities and folks to discuss development

- Talking with Beaufort County about land donations - Justice Square has been in process for some time and we may be able to assist in moving the ball forward
- Talking with BMH about housing for medical staff, emergency staff, etc.
- Recently reviewed deal at the request of CCDC - asked on Thursday for an evaluation by Monday - accomplished despite short timeframe for review and presented it to Council, which shows our value as an organization. Concluded to wait for 1 year and let the application be stronger. This task enhanced our organization's reputation with the County to help resolve issues / support.
- Carrington Manor - as a refresher - our organization invested \$500k as a loan to assist with low-income housing tax credit deal for senior living. Claude grew concerned about the lack of progress given the project must be completed by December 31 and fully occupied, or the developer will face harsh penalties and lose the tax credit benefits. Claude is scheduled to talk with Community Works tomorrow, May 20. For now, he understands the developer is overbudget by \$400,000, which is credited to issues that arose with Dominion and BJWSA. Claude noted that this program offers NO additional time or extension, so this project must be completed by end of August to give the property management group enough time to fill the units. Community Works is the primary lender and asked us to come into the deal - even if these two things couldn't be predicted, it's still an issue that needs to be addressed. Claude suspects they will come to us and ask us for that money. The biggest concern is why the developer and Community Works failed to bring this to us sooner. Claude, Jennifer, and Dick are meeting with the developer soon to discuss action.

Jan Malinowski proposed a few questions:

- Who is the first mortgage lender? They have a vested interest to ensure this project is completed. Legacy Bank and Trust out of Springfield, MO based on public records review.
- Was Dominion / BJWSA partly to blame here? Uncertain as of yet.
- Is Regions the tax credit investor? Yes. Regions has a Foundation and you may be able to tap into that.

Dick Stewart noted:

- If lose our tax credits, the developer will have to return \$1.50 for every \$1.
- Community Works said they were going to take the lead on this project - there will be a lot of forensic work on how this went awry.
- Community Works needs to come to the table with \$300,000, in the least.
- It may be that BJWSA needs to take responsibility for a portion of these unexpected costs, or offer the ability for the developer to finance over a period of time.
- We will evaluate all options.

As a reminder, this is a 64 unit / \$21 Million project. Tom Henz noted he feels confident the developer will find this nominal amount in light of the total investment.

Claude described our demand for daily reports going forward, i.e., applications received, lease ups, etc. Time is of the essence.

New Business -

Claude noted we did not approve a development in Bluffton last year for \$27,000. The developer has taken the past year to strengthen his plans. Claude will present the new project to finance committee and then bring it forward to the Board in June. The project is called Ninety-Seven Goethe Road and will build three townhomes.

Dick Stewart briefly described the Justice Square project. Historic district project that has been tough to navigate with zoning approvals, etc. It will utilize the SC Small Real Estate Development Program funds and its point driven, i.e., if the developer receives a land donation from a qualified non-profit that is also a Trust, they get 10 points on the application. Our role would be a passthrough from the City to the Developer.

Chairman Stewart asked if there was any further business to discuss. Hearing none, he asked for a motion to adjourn the meeting. Dick entertained a motion to adjourn, which passed unanimously, and the meeting adjourned at 11:18 AM.