

HOUSING AUTHORITY OF THE CITY OF CHARLESTON
550 MEETING STREET
CHARLESTON, SC 29403
MINUTES OF REGULAR BOARD MEETING
MARCH 23, 2026

The Board of Commissioners of the Housing Authority of the City of Charleston met for a Regular Board Meeting on Monday, the 23rd of March 2026. Mr. Gregory Voigt, Chairman, called the meeting to order at 5:30pm and the following were in attendance:

PRESENT

Mr. Gregory Voigt, Chairman
Ms. Garcia Williams, Vice Chair
Mr. Nick Schumacher
Ms. Carol Jackson
Ms. Kathy Nelson
Mr. William "Bill" Hecht
Mr. Alvin Johnson

NOT PRESENT

The following were also present: Mr. Arthur S. Milligan, Jr., President and CEO; Mr. Alex McFarlane, Chief Operating Officer; Ms. Aris Ferguson, General Counsel; Mr. Brad Walbeck, Chief Human Resources Officer; Mr. Jeremy Erling, Chief Financial Officer; Mr. Gabriel Bluestein, Chief Information Officer; Mr. Francis Smith, Director of Facilities & RAD; Mr. Vernon Graham, Security and Public Information Officer; Ms. Diana Ruhlig-Hendrix, Organization Trainer; Ms. Susan Chambers, Warehouse Manager; Mr. Zach Messier, Capital Fund Manager; Ms. Priscilla Waring, Procurement & Contracts Manager; Ms. Rosemary Jenkins, Assistant Housing Services Manager; Ms. Tammy Davender, Property Manager, AMP 20; Ms. MaShawn Black, Assistant Property Manager, AMP 20; Ms. Khala Simmons, Property Manager, AMP 30; Ms. Carmella Luke, Property Manager, AMP 40; Ms. Chantel Stewart, Assistant Property Manager, AMP 40; Ms. Rayda Dupree-Scott, Enston Homes Property Manager; Ms. Cordelia Davis, Quality Control Manager; Ms. Kathy Simmons, Executive Assistant and Recorder; Ms. Jessica Munday, TRIO; Ms. Mia Caradonna, TRIO; and Ms. Patricia Stewart, Resident Advisory Board (RAB).

Chairman Voigt noted that there were no Communications to address.

APPROVAL OF BOARD MINUTES

The following meeting minutes were presented for approval:

- Regular Board Meeting – February 23, 2026
- Special Board Meeting – March 2, 2026
- Special Board Meeting – March 4, 2026

Commissioner Nick Schumacher made a motion to approve the minutes as presented. Vice Chair Garcia Williams seconded the motion. With no further discussion, the Chairman called for a vote, and the motion was unanimously approved.

UPDATE ON PROJECT 3500

Mayor William S. Cogswell Jr. provided an update on the Project 3500 Housing Charrette and the recent meeting in Washington, D.C., with Frank Cassidy, Assistant Secretary for the Office of

Housing and FHA Commissioner. While the original intention was to present to E. Scott Turner, Secretary of Housing and Urban Development, the presentation was made to Frank Cassidy.

Key highlights included:

- A comprehensive, multi-day design charrette involving architects, planners, and stakeholders.
- Emphasis on a “build-first” strategy to ensure no displacement of current residents.
- Development concepts focused on blending Charleston’s historic architectural character with cost-effective construction methods.
- Exploration of mixed-use communities, including residential, civic, and commercial elements.
- Preliminary concepts targeting approximately 5,000 total units, including 50% affordable housing.
- Planning across key geographic areas: Western, Central, and Eastern Peninsula.
- Collaboration with public entities (City, County) and private sector partners.
- Next steps include advancing from conceptual designs to detailed planning, financial modeling, and partnership structuring.

Commissioner Alvin Johnson asked Mayor Cogswell about the plan to address stormwater issues. The Mayor explained that the proposed development sites are in Special Protection Areas, which require strict stormwater mitigation. Each project must achieve net-neutral runoff and improve overall stormwater management by 20%. Addressing these requirements is technically complex, particularly on individual sites, but planning at a larger, aggregated scale provides greater flexibility for effective mitigation. Although the process will be costly and challenging, the administration is confident that a holistic, engineered approach can successfully manage stormwater impacts.

Commissioner Nick Schumacher inquired about the proposed development projects. Mayor Cogswell explained that while early-stage development carries uncertainty, there is strong interest from major institutional and market-rate developers due to the city’s urgent housing needs. Challenges include the specialized nature of affordable housing, high development costs, and long timelines. Strategies under consideration include aggregating projects for economies of scale, leveraging opportunity zones and HUD support, and utilizing city-owned land through long-term leases. These approaches aim to attract investment, reduce risk, and ensure public benefit while maintaining the city’s legacy assets.

Commissioners Garcia Williams and Nick Schumacher inquired about resident trust regarding development initiatives. The Mayor acknowledged strong HUD support for pilot projects but emphasized that community trust remains a key challenge, particularly due to public concern over displacement. To address this, the administration plans to start with small pilot projects, ensure strict compliance with HUD rules, communicate clearly and carefully with residents, and demonstrate reliability through consistent action. The Board remains committed to protecting residents’ interests and rebuilding confidence through transparency and follow-through.

Commissioners Bill Hecht and Nick Schumacher inquired about “Permit Ready” versus “35% Design” and the associated development risk. Mayor Cogswell clarified that 35% Design represents schematic and early design development, where feasibility, site layout, and major cost drivers are evaluated. Full permit-ready sets require more time and cost, increasing risk for developers. Continuous feasibility checks, coupled with city staff support through TRC and BAR processes, aim to reduce uncertainty. A staged, iterative approach allows informed decision-making, manages development risk, and prioritizes time-sensitive sites, such as those on the Eastern Peninsula.

Commissioner Bill Hecht expressed concern that the Board does not fully understand the existing zoning or the proposed MUWH 3 zoning changes. The Mayor acknowledged the need for clarity regarding current allowances, restrictions, and potential benefits of the proposed zoning. A side-by-side comparison of existing and proposed zoning will be provided to ensure alignment with HUD requirements and the Housing Authority’s long-term mission to maintain permanent affordability. The Board emphasized the importance of transparency, careful review, and collaboration to safeguard land use decisions for decades to come.

In response to a Commissioner’s inquiry, the Board discussed the City’s preferred sequencing of redevelopment efforts. Mayor William Cogswell indicated that the City’s preference is to begin with the eastern-side project area, which includes Cooper River Courts and Meeting Street Manor in conjunction with adjacent City and County-owned properties. The Mayor stated, “I think actually, yes, I would say that the eastern side would be my preference mainly because of the partnership with the county,” emphasizing that the partnership plays a key role in prioritization. He further explained the urgency by noting, “They’ve given us till the end of the... calendar year and so that would probably run out of time and would be problematic.” As such, the eastern-side development was identified as the City’s priority for initial advancement due to these external timing constraints and collaborative considerations.

The Board also discussed the implications of a potential partnership with the City relative to the existing development agreement at the Morrison Station site. A Commissioner asked whether the current agreement could be modified (“morphed”) to align with a City partnership or whether the project would be required to go out for a new bid process. Mayor Cogswell responded that, in his view, the project would likely need to be rebid, stating, “I think it would have to go out... I don’t see how the financials would work on this to be honest with you.” He further noted that attempting to combine the current deal with a City-led initiative would increase complexity, adding, “It would take something that’s already complicated, make it more complicated, be confusing to the market.” Additionally, he emphasized that the City’s involvement would introduce a third party into an already established agreement, stating, “You right now have an agreement with two parties... this we would be a third party, so something would have to change.” The Mayor also cautioned against creating a situation in which competing development efforts could undermine the project’s ability to secure capital, reinforcing the likelihood that a new solicitation process would be required if the City were to participate.

Commissioners Garcia Williams and Kathy Nelson inquired about City Council alignment and resident trust regarding development initiatives. Mayor Cogswell noted that City Council supports

the projects, but clear communication and education are essential due to the complexity of the work. Resident trust remains a challenge given historical skepticism, and the Mayor emphasized the need to engage directly with residents, demonstrate commitments (including no displacement, 50% affordability, and quality design), and approach the community with the goal of earning trust through transparency and consistent action. These efforts aim to ensure both Council and residents are aligned and confident in the Housing Authority's long-term initiatives.

Commissioner Alvin Johnson advised Mayor Cogswell to engage residents with the mindset: *"I am not asking you to trust me immediately; I am asking for the opportunity to earn your trust."* This approach should guide credibility and community confidence.

INTERNAL REPORTS

The Chairman proceeded to the Internal Reports portion of the agenda and recognized President and CEO Arthur S. Milligan, Jr. to present his report. Mr. Milligan provided general updates on ongoing initiatives and coordination efforts. There being none, the Chairman recognized Mr. Jeremy Erling to present the Finance Report.

Chief Financial Officer Mr. Jeremy Erling presented the financial report, highlighting adjustments to the reporting format for clarity and inclusion of budget variances. He noted revenue projections are trending upward through the fiscal year-end, while developer fees have been reduced due to project plan changes. Expenses have increased in legal, utilities, insurance, and bad debt, with bad debt projected at approximately 2.9%, consistent with post-COVID trends. Mr. Erling also provided updates on major projects, including Robert Mills Manor and 1800 Ashley West, and ongoing discussions regarding refinancing Bank of America loans. Board members offered feedback and asked questions regarding the reporting format, occupancy targets, and overall financial projections.

Mr. McFarlane reported that occupancy is currently about 85%, with a fiscal year-end goal of 95%. Staff aim to lease five to six units per month, supported by a coordinated plan between maintenance and housing services to reduce unit turnaround from 80 to 30 days, monitored through weekly vacancy reports. The Board emphasized operational efficiency, proactive leasing, improved coordination and accountability between maintenance and leasing, potential performance incentives, staffing and contractor limitations, and delays in tenant documentation as barriers to achieving higher occupancy.

Mr. McFarlane provided an update on HUD NSPIRE inspections, reporting that recent inspections at certain properties yielded lower preliminary scores compared to prior periods, with final scores expected before the next Board meeting. The Board expressed concern over potential year-over-year declines, noting aging infrastructure (particularly ungrounded electrical systems and GFCI-related deficiencies) as key contributing factors. Staff indicated that some deficiencies may be appealed, though major improvements would require significant capital investment. The Board requested side-by-side comparisons of prior and current NSPIRE scores by AMP once final reports are available and emphasized the continued focus on enhancing both safety standards and overall unit conditions. With no further questions, the Chairman moved to the Development Report.

In Mr. Pete Sherman's absence, General Counsel Ms. Aris Ferguson informed the Board that the 275 Huger Street Project received a #1 preliminary ranking for 9% Low-Income Housing Tax

Credits. She also announced that Mr. Sherman's final day with the Housing Authority will be April 17, 2026. With no further questions, the Chairman invited Ms. Ferguson to present the General Counsel Report.

General Counsel Mrs. Aris H. Ferguson provided an update on a proposed Memorandum of Understanding (MOU) with the City of Charleston and the developers of the future Grace Hotel. The MOU contemplates an easement on Housing Authority property to allow construction of a public alley connecting Lee Street to Cooper Street, which is expected to serve as the hotel's primary entrance, including valet access, with preliminary plans indicating an aesthetically appropriate frontage for nearby residents. The Board emphasized the need for additional details regarding property boundaries, site design, and potential resident impact, and expressed concern over the lack of proposed compensation to the Authority. The Board directed staff not to execute the MOU until it has been further reviewed and negotiated; and instructed that the MOU and all supporting materials be circulated for additional Board consideration. With no further questions or instructions, the Chairman then invited Mr. Brad Walbeck to provide the Human Resources Report.

Chief Human Resources Officer Mr. Brad Walbeck reported that employee turnover remained low in the prior month, with only two separations. He noted, however, that higher turnover is anticipated in the current month and will be addressed in the next report. With no further questions regarding the HR Report, the Chairman invited Mr. Gabriel Bluestein to present the Information Technology Report.

Mr. Bluestein offered no additional updates beyond the submitted report. With no further discussion or additions, Chairman Voigt requested a motion to approve the Internal Reports.

Commissioner Schumacher made a motion to approve the Internal Reports as submitted, which was seconded by Commissioner Johnson. With no additional discussion, the Chairman called for a vote, and the motion passed unanimously.

NEW BUSINESS

Resolution #5209, Approval for Tenant Accounts Receivable Write Off

Resolution #5209, requesting approval to write off Tenant Account Receivables totaling \$15,420.00, was introduced. Commissioner Schumacher moved to approve the resolution, and Commissioner Jackson seconded the motion prior to Mr. Alex McFarlane's presentation. With no discussion, the Chair called for a vote, and the resolution was unanimously approved.

CITIZEN'S PARTICIPATION PERIOD

Ms. Patricia Stewart Alema, representing the Resident Advisory Board (RAB), addressed the Board regarding community concerns about the status of the contractor, Integral. She noted resident confusion about whether the Authority will continue the relationship and requested clarity on any changes, including the reasons, funding, decision-making, and community involvement, as well as concerns about potential racial considerations. The Board responded that no official changes have been made, there is no basis for concerns related to racial factors, and any future updates will be communicated transparently.

EXECUTIVE SESSION

Commissioner Nick Schumacher moved to enter Executive Session, and Commissioner Kathy Nelson seconded the motion. The motion carried, and the Board entered Executive Session pursuant to South Carolina Code § 30-4-70(a)(2) to discuss negotiations related to proposed redevelopment projects and potential partnerships. In accordance with South Carolina Code § 30-4-70(a)(1), the Board also discussed a personnel matter concerning the search for a Chief Executive Officer. Upon returning to open session, Chairman Voigt reported that legal advice was received and extensive discussions were held; however, no votes or formal actions were taken.

RETURN TO PUBLIC SESSION

After returning to public session, Chairman Voigt stated that two matters were to come before the Board. He first made a motion to authorize staff to issue a termination letter for the project known as 275 Huger Street. Commissioner Carol Jackson seconded the motion, and it was unanimously approved.

The Board then considered recommendations from the CEO Selection Subcommittee, which put forward two candidates: Mr. Nathan Simms, Jr. and Ms. Lucinda Herrera. The candidates were to be considered in that order. Chairman Voigt made a motion to consider the nomination of Mr. Nathan Simms, Jr., which was seconded by Commissioners Williams and Nelson. The motion passed with five Commissioners in favor (Commissioners Williams, Schumacher, Jackson, Johnson, and Nelson) and two opposed (Commissioners Voigt and Hecht). As a result of the vote, the second candidate, Ms. Lucinda Herrera, was not considered.

There being no further business, Commissioner Johnson moved to adjourn, seconded by Commissioner Voigt. The motion passed unanimously, and Chairman Voigt adjourned the Regular Board Meeting of March 23, 2026, at 8:41 PM.