

**Florida Housing Finance Corporation  
Board of Directors' Meeting Minutes  
December 8, 2017**

**TIME:** 8:30 a.m.

**LOCATION:** Hyatt Regency Jacksonville  
225 E. Coastline Drive  
Jacksonville Florida

**BOARD MEMBERS PRESENT:**

Barney Smith, Chairman  
Ray Dubuque, Vice-Chair  
Natacha Bastian  
Julie Dennis  
Renier Diaz de la Portilla  
Creston Leifried  
Ron Lieberman

**CORPORATION STAFF PRESENTING:**

Trey Price  
Hugh Brown  
Barb Goltz  
Brantley Henderson  
David Westcott

**OTHERS PRESENTING:**

Shawn Wilson, Blue Sky Communities  
Michael Raposo, St. Vincent de Paul of St. Petersburg  
Ben Johnson, Seltzer Management  
Tom Smith, General Home Development  
Brian Smith, General Home Development  
Brian McDonough, Stearns, Weaver, Miller  
Mark Dumas, Paces Foundation

Chairman Smith called the meeting to order at 8:30 a.m.

## **MINUTES**

**Item A, Approval of Minutes of the October 27, 2017, Board Meeting.** Chairman Smith asked for a motion to approve the Minutes of the October 27, 2017, Board Meeting.

Motion to approve the Minutes was made by Mr. Lieberman with a second by Ms. Bastian.  
Motion passed unanimously.

## **AFFORDABLE HOUSING WORKGROUP**

Trey Price reminded the Board that the 2017 legislature created the State Affordable Housing Workgroup, which Florida Housing administered during the second half of 2017. He stated that four meetings were held throughout the state and the group was charged with developing recommendations for the legislature regarding the future of affordable housing in the state. He stated that the final meeting was held on November 29, with a final report due to the legislature and Governor on December 31.

Chairman Smith stated that the Workgroup presented its 16 recommendations to the Board at a workshop on December 7, and the Board supported the recommendations, but elected to provide a cover letter adding some clarification on three of the recommendations.

Motion to approve the recommendations of the Affordable Housing Workgroup was made by Mr. Dubuque with a second by Mr. Lieberman. Motion passed unanimously.

## **PUBLIC COMMENT**

Shawn Wilson, of Blue Sky Communities, and vice chair of the Coalition of Affordable Housing Providers (CAHP), voiced his admiration for the time and effort put into the Affordable Housing Workgroup by both Florida Housing staff and the appointed members of the group. He also offered CAHP's assistance if any further work or input is needed.

## **FISCAL**

**Item A, Approval of 2018 Operating Budget.** Barb Goltz asked the Board to approve the 2018 Operating Budget.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Mr. Dubuque. Motion passed unanimously.

## **LEGAL**

**Item B, Denton Cove, LTD.** Hugh Brown asked the Board to grant the Petition for Waiver submitted by Denton Cove, Ltd., to permit a credit swap and to extend the placed in service date.

Motion to approve staff's recommendation was made by Ms. Dubuque with a second by Ms. Bastian. Motion passed unanimously.

**Item A, Warley Park, Ltd. v. Florida Housing Finance Corporation.** Hugh Brown asked the Board to adopt the order in the Warley Park matter as its final order, adopt the findings of fact and conclusions of law of the recommended order as amended by the single exception, and adopt the recommendation of that recommended order unchanged that Warley Park be funded instead of Northside Commons.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Ms. Dennis. Motion passed unanimously.

## **MULTIFAMILY BONDS**

**Item A, Request for Authorization and Delivery of Documents and Document Modifications Necessary to Ensure or Maintain the Tax Exemption on Multifamily Mortgage Revenue Bonds or Notes (MMRB) Issued or Approved for Issuance by Florida Housing Due to Proposed Federal Tax Legislation.** Brantley Henderson asked the Board to approve a resolution to authorize the execution and delivery of documents and document modifications necessary to ensure and maintain the tax exemption of bonds of Florida Housing, subject to delivery of any fees due to Florida Housing and its professionals, and the review and approval by Florida Housing's bond counsel, special counsel and credit underwriters.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Ms. Bastian. Motion passed unanimously.

## **MULTIFAMILY PROGRAMS**

**Item A, Request for Applications (RFA) 2017-107 – SAIL Financing for the Construction of Workforce Housing.** Brantley Henderson asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the 14 applications received in response to RFA 2017-107 for SAIL Financing for the Construction of Workforce Housing, and authorize the tentative selection of five applications for funding and invitation into credit underwriting. He stated that after the allocation, an unallocated balance of \$439,000 of workforce SAIL funding and \$200,000 of housing credit funding will remain, and as provided in the RFA, those remaining funds will be distributed as approved by the Board. He stated that if no notice of protest or formal written protest is filed, staff will issue invitations into credit underwriting to the five applicants; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to issuing invitations into credit underwriting to those applicants within the funding range.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Mr. Dubuque. Motion passed unanimously.

**Item B, Request for Applications (RFA) 2017-108 – SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.** Brantley Henderson asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the 38 applications received in response to RFA 2017-108 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits and authorize the tentative selection of 16 applications for funding and invitation into credit underwriting. He stated that after the allocation, an unallocated balance of \$3.9 million will remain, and as provided in the RFA, those

remaining funds will be distributed as approved by the Board. He stated that if no notice of protest or formal written protest is filed, staff will issue invitations into credit underwriting to the five applicants; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to issuing invitations into credit underwriting to those applicants within the funding range.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Ms. Bastian. Motion passed unanimously.

#### **PROFESSIONAL SERVICES SELECTION**

**Item A, Request Approval of Rule (67-49, F.A.C.) and Submission of Notice of Proposed Rule.** Hugh Brown asked the Board to authorize staff to proceed with the filing of a notice of proposed rule and continue the process through the Joint Administrative Procedures Committee and on to final adoption.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Mr. Dubuque. Motion passed unanimously.

**Item B, Request Competitive Solicitation for Independent Registered Municipal Advisor (IRMA) Services.** Barb Goltz asked the Board to authorize staff to begin the competitive solicitation process to select a qualifying firm to serve as an independent registered municipal advisor for Florida Housing.

Motion to approve staff's recommendation was made by Mr. Dubuque with a second by Ms. Dennis. Motion passed unanimously.

**Item C, Request Competitive Solicitation for Printing Services and Official Statements.** Hugh Brown asked the Board to authorize staff to proceed with a competitive solicitation to select a qualified firm to provide printing services for preliminary and final official statements for Florida Housing.

Motion to approve staff's recommendation was made by Mr. Dubuque with a second by Mr. Lieberman. Motion passed unanimously.

**Item D, Request Competitive Solicitation for Structuring Agents.** Hugh Brown asked the Board to authorize staff to proceed with a competitive solicitation to select one or more qualified firms to provide structuring agent services to Florida Housing.

Motion to approve staff's recommendation was made by Mr. Dubuque with a second by Ms. Bastian. Motion passed unanimously.

#### **STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)/HOME RENTAL**

**Item B, Request Approval for De-obligation of Funds for Ozanam Village II.** Brantley Henderson introduced Michael Raposa, the CEO of St. Vincent de Paul in St. Petersburg.

Mr. Raposa asked the Board to consider a 30-day deferment of the deobligation for Ozanam Village II, outlining his organization's next steps to move the development forward, including removal of the co-developer.

Mr. Henderson stated that staff's original recommendation was to deobligate SAIL funds in the amount of \$4.9 million and ELI funds in the amount of \$100,000 from Ozanam Village II, but stated that staff was supportive of Mr. Raposa's request for an additional 30 day extension.

Ben Johnson, of Seltzer Management, clarified that the developer would use the time to find a new co-developer and a new general contractor, and come back to the Board at the January 26, 2018, Board Meeting with a proposed timeline for its review and approval.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Ms. Bastian. Motion passed unanimously.

**Item C, Request Approval for De-obligation of Funds for Flagler Commons.** Brantley Henderson asked the Board to deobligate all funds associated with application number 2016-275S and to withdraw the preliminary loan commitment for the SAIL loan, due to the applicant's failure to meet the second extension of the credit underwriting deadline of October 31, 2017.

Motion to approve staff's recommendation was made by Mr. Dubuque with a second by Mr. Lieberman.

Tom Smith, of General Home Development, asked the Board to consider a 60 day deferment of the deobligation for Flagler Commons.

Brian Smith, also of General Home Development, echoed Tom Smith's request.

Mark Frederick, of Amerinat, the credit underwriter on the project, reiterated the negative recommendation from the credit underwriting report.

Motion passed unanimously.

**Item D, Request Approval for De-obligation of Funds for Flagler Commons II.** Brantley Henderson asked the Board to deobligate all funds associated with application number 2016-272S and to withdraw the preliminary loan commitment for the SAIL loan, due to the applicant's failure to meet the second extension of the credit underwriting deadline of October 31, 2017.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Mr. Dubuque. Motion passed unanimously.

**Item A, Request Acceptance of Credit Underwriting Report with Negative Recommendation and Approve the Deobligation of \$4,351,000 in HOME Funds for Willie Downs Villas.** David Westcott asked the Board to accept the negative credit underwriting letter and approve the deobligation of the \$4,531,000 in HOME funding for Willie Downs Villas due to the inability of the co-developer to meet predetermined underwriting and construction completion deadlines and the lack of capacity to move forward with the number of deals the developer has.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Mr. Diaz de la Portilla.

Tom Smith, of General Home Development, asked the Board to reconsider the deobligation and give them time to clear up any outstanding issues, as they are nearly ready to close

Ben Johnson, of Seltzer Management, disagreed and reiterated the opinion in the credit underwriting report that they are not ready to close, as they have not secured their 501(c)(3) status.

Ron Lieberman asked if the 501(c)(3) issue was the only hold up. Ben Johnson stated that it was.

Motion failed by a vote of four to three, with Mr. Diaz de la Portilla, Mr. Lieberman, Mr. Dubuque and Ms. Bastian casting the dissenting votes, and Ms. Dennis, Mr. Leifried and Mr. Smith casting the affirming votes.

David Westcott offered a revised recommendation to approve the credit underwriting report dated October 12, 2017, subject to further conditions and approvals by staff, credit underwriter, counsel and other appropriate professionals.

Motion to approve staff's revised recommendation was made by Ms. Bastian with a second by Mr. Diaz de la Portilla. Motion passed unanimously.

#### **CONSENT AGENDA**

Chairman Smith asked for a motion to approve the items on the Consent Agenda.

Motion to approve the items on the Consent Agenda was made by Mr. Lieberman with a second by Ms. Bastian. Motion passed unanimously.

#### **ELECTION OF CHAIR AND VICE CHAIR**

Chairman Smith asked for nominations for Chairman and Vice Chairman of the Board of Directors.

Motion to nominate Ray Dubuque as Chairman was made by Mr. Diaz de la Portilla and seconded by Mr. Lieberman. There were no other nominations. Motion passed unanimously.

Motion to nominate Ron Lieberman as Vice Chairman was made by Ms. Bastian and seconded by Mr. Diaz de la Portilla. There were no other nominations. Motion passed unanimously.

Barney Smith expressed his thanks for the honor of serving as Chairman of the Board.

Trey Price briefed the Board of his recent legislative trip to Washington DC.

#### **PUBLIC COMMENT**

Brian McDonough, of Stearns, Weaver, Miller, thanked Mr. Smith for his chairmanship.

Mark Dumas, with the Paces Foundation, spoke about their development in Pensacola that received a LEED Platinum designation. He expressed his belief that the nonprofit set aside should be reserved for nonprofits and nonprofit partners. He also expressed his support of a state tax credit.

Chairman Smith adjourned the meeting at 10:00 a.m.