

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
February 3, 2017**

TIME: 8:30 a.m.

LOCATION: Tampa Airport Marriott
4200 George Bean Parkway
Tampa, Florida

BOARD MEMBERS PRESENT:

Barney Smith, Chairman
Ray Dubuque, Vice Chair
Renier Diaz da la Portilla
Natacha Munilla Bastian
John Hawthorne
Brian Katz
Taylor Teepell
Len Tylka

CORPORATION STAFF PRESENTING:

Ken Reecy
Laura Cox
Hugh Brown
Brantley Henderson
Nancy Muller

OTHERS PRESENTING:

Steve Smith, New Beginnings of Central Florida

Chairman Smith called the meeting to order at 8:31 a.m.

MINUTES

Item A, Approval of Minutes of the December 9, 2016, Board Meeting. Chairman Smith asked for a motion to approve the Minutes of the December 9, 2016, Board Meeting.

Motion to approve the Minutes was made by Mr. Dubuque with a second by Chairman Smith. Motion passed unanimously.

Chairman Smith welcomed Ken Reecy as the Interim Executive Director of Florida Housing. He briefed the Board on the status of the search for a new Executive Director for the corporation, as well as the appointment of new Board Members to fill the seats left vacant by Len Tylka and Brian Katz, whose terms have expired, but continue to serve until new appointments are made by the Governor.

Ken Reecy spoke about the letter received from Cynthia Kelly, the Governor's Director of Policy and Budget, regarding transparency at Florida Housing and requesting that the corporation implement reforms to improve business practices to ensure financial transparency to Florida taxpayers. He stated that Florida Housing responded to the letter indicating that steps had already been taken to comply with Ms. Kelly's request, and ensuring that Florida Housing would continue to work to implement all transparency requirements requested in her letter.

COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)

Item A, Request Approval to Extend the Construction Period for the Homes of West Augustine. David Westcott asked the Board to extend the construction period for the Homes of West Augustine for one year due to materials shortages caused by Hurricane Matthew's effect on St. Johns County, subject to further approvals by the credit underwriter, counsel and the appropriate corporation staff.

Motion to approve the recommendation was made by Chairman Smith with a second by Ms. Bastian.

Mr. Dubuque and Mr. Hawthorne both expressed concerns about the extension and asked that corporation staff keep close tabs on the construction progress, as the project is already in its seventh year. Mr. Reecy stated that staff will monitor the project closely.

Motion passed unanimously.

EXECUTIVE DIRECTOR

Item A, Selection of Hiring Committee for Executive Director. Ken Reecy stated that pursuant to Florida Statutes, the appointment of the Executive Director of Florida Housing shall be by the Executive Director of the Department of Economic Opportunity (DEO) with the advice and consent of the corporation's Board of Directors. He stated that on January 9, DEO issued a letter setting forth the process to be followed to conduct a search for candidates for the position and ultimately appoint a new Executive Director. Accordingly, he asked the Board to establish a hiring committee consisting of three Board Members to receive a list of candidates chosen by DEO, independently interview each candidate, and

then conduct a public meeting of the hiring committee to select primary and secondary candidates to present to the Board for its consideration at the March 24, 2017, meeting of the full Board of Directors.

Motion to approve staff's recommendation was made by Mr. Tylka, who then nominated Barney Smith, Ray Dubuque and Natacha Bastian to serve on the Committee. Motion and nominations were seconded by Mr. Diaz de la Portilla. Motion passed unanimously.

MULTIFAMILY PROGRAMS

Item A, Request for Applications (RFA) RFA 2016-106, Homeless Housing Assistance Loan

Demonstration Program. Nancy Muller asked the Board to approve the recommendation of the review committee for RFA 2016-106, Homeless Housing Assistance Loan Demonstration Program, and adopt the scoring results set out in Exhibit A and authorize the tentative selection of the four applications set forth in Exhibit B for funding. She also asked the Board to approve the review committee's recommendation that the unallocated balance of \$2.15 million remain because there are no eligible unfunded applications remaining. She stated that if no notice of protest or formal written protest is filed in accordance with Section 120.57(3) Florida Statutes, et al., staff will issue a preliminary loan commitment to enter the predevelopment phase to the applications set forth in Exhibit B. She stated that if a notice of protest or formal written protest is filed in accordance with Section 120.57(3) Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to issuing a preliminary loan commitment to enter the predevelopment phase.

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

Item B, Request for Applications (RFA) 2016-107 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.

Brantley Henderson asked the Board to approve the recommendation of the review committee for RFA 2016-107, Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities, and adopt the scoring results and authorize the tentative selection of the 12 applications set forth in Exhibit D for funding. He also asked the Board to approve the review committee's recommendation that the unallocated balance of \$275,000 be added to the grant funding to be made available in the next RFA to be issued for the same demographic, which is scheduled to be issued later in 2017. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statutes, staff will issue a letter of preliminary award to the applications set forth in Exhibit D. He stated that if a notice of protest or formal written protest is filed in accordance with Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to issuing letters of preliminary award to those applications in the funding range.

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

Item C, Request for Applications (RFA) 2016-112 SAIL Financing for the Construction of Workforce Housing in Miami-Dade County and Monroe County.

Brantley Henderson asked the Board to approve the recommendation of the review committee for RFA 2016-112, SAIL Financing for the Construction of Workforce Housing in Miami-Dade County and Monroe County, and adopt the scoring results and authorize the tentative selection of the three applications set forth in Exhibit F for funding and invitation into credit underwriting. He stated that the unallocated balance of \$1,012,000 in Miami-Dade workforce

SAIL funding, \$2.4 million in additional SAIL funding, and a little over \$1,000 in competitive housing credits will be distributed as approved by the Board. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statutes, staff will issue a letter of preliminary award to the applications set forth in Exhibit F. He stated that if a notice of protest or formal written protest is filed in accordance with Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to issuing invitations to enter credit underwriting to those applications in the funding range.

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

Item D, Request for Applications (RFA) 2016-114 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County. Brantley Henderson asked the Board to approve the recommendation of the review committee for RFA 2016-114 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County, and adopt the scoring results and authorize the tentative selection of the three applications set forth in Exhibit H for funding and invitation into credit underwriting. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statutes, staff will issue an invitation to enter credit underwriting to the applications set forth in Exhibit H. He stated that if a notice of protest or formal written protest is filed in accordance with Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to issuing invitations to enter credit underwriting to those applications in the funding range.

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

Chairman Smith asked Mr. Reecy to lead a discussion regarding the "large six" geographic RFA.

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Invitation to Bid (ITB) 2016-09, Content Management System. Hugh Brown asked the Board to authorize staff to enter into contract negotiations with Telerick, the one and only successful bidder under the solicitation for content management services. Mr. Brown noted that this was a rebid because the first time the vendor prices were higher than expected and this bid was more in line with expectations.

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

Item B, Competitive Solicitation for Bond Counsel Services. Hugh Brown asked the Board to authorize staff to begin the competitive solicitation process for bond counsel services, issue a request for proposals and establish a review committee to make recommendations to the Board.

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

Item C, Competitive Solicitation for Credit Underwriting, Construction and Permanent Loan Servicing, and Compliance Monitoring Services. Laura Cox asked the Board to authorize staff to begin the competitive solicitation process and establish a review committee to make recommendations to the Board for one or more firms to provide credit underwriting, construction and permanent loan servicing, and compliance monitoring services for Florida Housing single family and multifamily programs

Motion to approve staff's recommendation was made by Chairman Smith with a second by Mr. Tylka. Motion passed unanimously.

Item D, Request for Proposals (RFP) 2016-06, Financial Coaching and Counseling Training for the Foreclosure Counseling Program (FCP). Nancy Muller asked the Board to approve the review committee's recommendations to enter into negotiations with National Community Reinvestment Corporation for financing coaching and counseling training for the Foreclosure Counseling Program, and if those negotiations should fail, to authorize staff to enter into negotiations with Florida Housing Counseling Network. If those negotiations should also fail, she asked the Board to allow staff to issue a new solicitation for these services.

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

Item D, Request for Qualifications (RFQ) 2016-07, Advisor Agencies for the Hardest Hit Fund (HHF) Program. David Westcott asked the Board to approve the review committee's recommendation to enter into contract negotiations with the 47 advisor agencies that responded to the RFQ for advisor agencies for the Hardest Hit Fund. He also asked the Board to authorize staff to issue another competitive solicitation to secure more advisor agencies.

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

CONSENT AGENDA

Chairman Smith asked for a motion to approve the items on the Consent Agenda with the exception of Multifamily Programs Item F, Silver Place, which will be discussed separately.

Motion to approve the remaining items on the Consent Agenda was made by Mr. Diaz de la Portilla with a second by Mr. Teepell. Motion passed unanimously.

Ken Reecy asked the Board to grant the request by The Arc of Putnam County, Inc., the developer of Silver Place, for waiver of the terms of the RFA regarding the countertop height requirements and approve the credit underwriting report and direct staff to issue a firm commitment.

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

Board Members and staff discussed the current state of equity pricing in light of the potential corporate tax reform expected to be enacted by the new administration in Washington.

PUBLIC COMMENT

Steve Smith, from New Beginnings of Central Florida, expressed his thanks to the Board for the approval of the credit underwriting report for New Beginnings and stated that he looks forward to continued work with Florida Housing to provide affordable housing in Central Florida.

John Hawthorne expressed his concerns and questions about the role and responsibility of the Board in the operation of Florida Housing and asked for a workshop or retreat in the near future to discuss and delineate the duties of the Board Members. Chairman Smith agreed and stated that once new Board Members are appointed, a retreat/workshop would be planned for that purpose.

Chairman Smith adjourned the meeting at 9:48 a.m.