

## **HOUSING FINANCE AUTHORITY OF HILLSBOROUGH COUNTY**

### **Minutes of October 14, 2016 Board Meeting**

The meeting was held in the County Attorney's Conference Room, 27<sup>th</sup> Floor, County Center, 601 E. Kennedy Blvd, Tampa, FL 33602.

#### **I. Investment Committee**

Chairman Frank DeBose called the meeting of the Investment Committee to order at 9:05 a.m. Present were Committee Members Harry Hedges and David Hollis, and Board Chair Debra Koehler. Also present were Mary Helen Farris and Mark Hendrickson.

The Investment Committee discussed the proposed FY 16-17 budget, the year-end Financial Statement (September 30), the liquidity of the HFA's investments, a potential sale of the MBS in the 2007 Single Family bond issue, and scheduling the 2017 Investment Training.

The Committee set February 9, 2017 as the date for their annual training.

The Committee meeting adjourned at 9:29 a.m.

#### **II. Attendees**

Chair Debra Koehler called the HFA Board Meeting to order at 9:31 a.m. Members of the audience and the Board introduced themselves, and the Pledge of Allegiance was recited.

Also in attendance were Board Vice-Chair David Hollis, Secretary Mercedes DiMaio, and Board Members Frank DeBose, Harry Hedges and Mike Kelley.

Also present were Mary Helen Farris (County Attorney's Office), Mark Hendrickson (HFA Financial Advisor), Helen Feinberg and Debbie Berner (HFA Investment Banker—RBC Capital Markets), Randy Clement (HFA Bond Counsel—Bryant Miller Olive), Sue Denihan (HFA Single Family Administrator—eHousing), Eric Johnson (Hillsborough County), Leonard Burke (Tampa Housing Authority), and Shawn Perrine and Angela Hatcher (Blue Sky Communities).

#### **III. Minutes**

Mr. Hollis moved, with a second by Mr. DeBose, that the Board **approve the minutes of the September 9, 2016 meeting**. The motion passed 6-0.

#### **IV. Public Comment**

There were no public comments.

#### **V. Fiscal Year 2016-2017 Budget**

Mr. Hendrickson presented the proposed FY 16-17 HFA budget. He explained that the revenues were based upon detailed analysis of actual expected revenue, and that expenses were budgeted at the higher of FY 15-16 actual or budget. Mr. Hendrickson noted that the summary page of the budget needed to be corrected to show the proper multi-family bond deals that were expected to close (numbers correct, but names not), and that the \$10,000 line item for Security Loss on

Second Mortgages would be removed because it was not a cash expenditure. After discussion, Mr. Hedges moved, with a second by Mr. Hollis, that the Board **adopt a Budget Resolution approving the proposed final FY 16-17 budget, as amended (names of bond deals and removal of \$10,000 loan loss line item)**. The motion passed 6-0.

#### **VI. HFA Monthly Financial Statement**

Mr. Hendrickson presented the August and September 2016 Financial Statements, as prepared by the HFA's accountant. He noted that the September 30 statement was the year-end statement that would be the basis for the annual audit. Mr. Hendrickson stated that one item needed to be reclassified (\$5,000 sponsorship of Florida ALHFA Conference, which had been classified as Board Travel when it should have been classified as Dues and Subscriptions). After discussion, Mr. Hedges moved, with a second by Mr. Hollis, that the Board **approve the August and September 2016 Financial Statements, with the reclassification noted above**. The motion passed 6-0.

#### **VII. Investment Committee and Investments**

Mr. DeBose reported on the Investment Committee meeting, stating that the 2017 training would be held on February 9. Mr. Hendrickson presented the Investment Report.

#### **VIII. Single Family Report: DPA, MCC's, Old Issues and 2012 Program**

Mr. Clement presented a resolution authorizing execution of the Interlocal Agreement with Pinellas County HFA. After discussion, Mr. Hedges moved, with a second by Mr. Hollis, that the Board **approve the Resolution authorizing execution of the Interlocal Agreement with the Pinellas County HFA**. The motion passed 6-0.

Sue Denihan presented an update on the program, including her estimate that the FHFC HHF DPA funds would not be available until early 2017.

Mr. Hendrickson and Ms. Denihan presented an update on a potential agreement with the City of Tampa to utilize SHIP funds as DPA in conjunction with the HFA's loan program. They noted that the initial draft of the agreement was not workable, and that Ms. Denihan was working with the City staff to correct the issues.

#### **IX. New Multi-Family Financings**

Mr. Hendrickson updated the Board on the four bond applications that were in process, noting that all were applying for SAIL funding.

Mr. Johnson stated that the County had not made the decisions necessary to move forward with a revised RFP for homeless funding.

Mr. Hendrickson reported on the **Sweetwater Villas** waiver requests. After discussion on both the resident program waiver requests and the request for a waiver lowering the affordability period from 50 years to 30 years, Mr. Wilson withdrew his requests for waivers. [Note: the Board had previously granted waivers for the Homeownership Opportunity and Self-Sufficiency Programs, and those waiver remain in effect.]

Mr. Kelley stated that he recommended that the Board go on record as to their **policy on long-term affordability**. After discussion, Mr. Kelley moved, with a second by Mr. Hollis,

that the Board **reaffirm its policy of requiring a 50 year affordability period on all rental development receiving financing from the HFA.** The motion passed 6-0.

#### **X. FHFC Local Government Preference**

Mr. Hendrickson reported he had discussed the local government preference process and decision making with County, and that the County was now requesting that the HFA administer the process. He detailed various components of how the process would work, including the NOFA, application, selection criteria, and timing of the decision making. Mr. Hendrickson and Mr. Johnson emphasized that the County had not yet made the decision if they would designate a deal for the “Local Government Area of Opportunity Funding”, or instead would permit the City of Tampa to submit, with the County providing the lower level of local government contribution to one deal for backup purposes. After discussion, Mr. Kelley moved, with a second by Mr. Hedges that the Board:

- Direct Mr. Hendrickson to finalize a NOFA and Application and to distribute it after the October 19 BOCC meeting, unless County staff indicated that the BOCC wanted to pursue another option, with the NOFA and Application to:
  - ✓ Include options for the HFA to select either a deal for the Local Government Area of Opportunity Funding or to select a deal for the lower point scoring local government contribution, with the decision on which option to exercise being retained solely by the HFA after review of applications
  - ✓ Permit applications for developments in unincorporated Hillsborough County, Plant City and/or the City of Temple Terrace
  - ✓ Include selection criteria such as (but not limited to) experience of development team, HFA experience with the developer, leveraging, cost, financial feasibility, management, resident programs, long term affordability, unit and development amenities, ability to proceed, and ability to bring funding that would reduce the amount needed from the HFA, impact on the community, and ability to meet FHFC requirements for the contribution while minimizing the term of any loan from the HFA
  - ✓ Require some level of commitment to at-risk populations such as the homeless or youth aging out of foster care
- Authorize funding from the HFA in the amount necessary (above the \$100,000 available from the County) to implement the option exercised by the HFA (either Local Government Area of Opportunity Funding or the lower point local government contribution)
- Set an application deadline of November 18
- Combine the November and December HFA meetings, with the new date of the meeting of December 2, 2016 (replacing November 10 and December 9 meetings)

After discussion, the motion passed 4-0, with Mr. Hollis and Mr. DeBose abstaining due to a potential conflict.

#### **XI. Multi-Family Loans & Development Occupancy**

Mr. Hendrickson reported on the status of various loans and the continued high occupancy of HFA financed units. He reported on the status of the construction issues at The Tempo, noting that the HFA was financially protected, and that the surety was

expected to resume construction this month. He also noted that the HFA had a guarantee of completion of construction from Bank of America.

**XII. Other Multi-Family Programs**

Mr. Hendrickson reported on the Homeless Up and Out, Youth Aging Out of Foster Care, and Catholic Charities programs.

**XIII. SEE, FHFC, & County Reports**

Mr. Hendrickson reported on the SEE effort and the September FHFC meeting.

Mr. Johnson reported on County activities.

**XIV. Adjournment**

On a motion by Mr. Hollis, seconded by Mr. Hedges, the Board voted 6-0 to adjourn the meeting (11:06 AM).