

HOUSING FINANCE AUTHORITY OF HILLSBOROUGH COUNTY

Minutes of November 8, 2017 Investment Committee & Board Meeting

The meetings were held in the Planning Commission Board Room, 18th Floor, County Center, 601 E. Kennedy Blvd, Tampa, FL 33602.

I. Investment Committee

Chair Frank DeBose called the Investment Committee meeting to order at 9:00 a.m. Present were Investment Committee members Ed Busansky, Harry Hedges, and David Hollis. Also present were HFA Chair Debra Koehler, HFA Secretary Mercedes DiMaio, Mary Helen Farris (County Attorney's Office), and Mark Hendrickson (HFA Financial Advisor).

The Committee discussed various money market investments with low yields, and potential investment strategies.

The meeting was interrupted by a fire drill, and reconvened at 9:55 a.m.

After discussion, Mr. Busansky moved, with a second by Mr. Hedges, that the Committee **recommend to the Board that they approve the transfer of the money market and checking accounts at Regions, TD, SunTrust, and PNC Banks to the US Bank Custody Account, and the investment of funds in the Hancock/Whitney Bank money market to a six month CD at that bank.** The motion passed 3-0.

II. HFA Board Meeting & Attendees

Immediate Past Chair Michael Kelley convened the HFA meeting at 10:00 a.m. He noted that Board Chair Debra Koehler, Board Vice-Chair David Hollis, and Board Secretary Mercedes DiMaio were temporarily absent due to a medical emergency. Those members arrived as noted. Mr. Kelley also announced that the meeting was starting late due to the evacuation of the building for a fire drill.

III. Attendees

Members of the audience and the Board introduced themselves, and the Pledge of Allegiance was recited.

In attendance were Board Members Ed Busansky, Frank DeBose, Harry Hedges and Mike Kelley. Board Chair Debra Koehler, Board Vice-Chair David Hollis, and Board Secretary Mercedes DiMaio arrived as noted.

Also present were Mark Hendrickson (HFA Financial Advisor), Debbie Berner (HFA Investment Banker—RBC Capital Markets), Randy Clement (HFA Bond Counsel—Bryant Miller Olive), Sue Denihan (HFA Single Family Program Administrator—eHousing Plus), Cheryl Howell (Hillsborough County), and Shawn Wilson and M. J. Kopakin (Blue Sky Communities).

IV. Minutes

Mr. Debose moved, with a second by Mr. Busansky, that the Board **approve the minutes of the October 13, 2017 meeting.** The motion passed 4-0.

V. Public Comment

There were no public comments.

VI. HFA Monthly Financial Statements

Mr. Hendrickson presented the October 2017 Financial Statements. Mr. Hedges moved, with a second by Mr. DeBose, that the Board **approve the October 2017 Financial Statement**. The motion passed 4-0.

VII. Investments

Mr. DeBose presented the recommendations of the Investment Committee. After discussion, Mr. Busansky moved, with a second by Mr. Hedges, that the Board accept the recommendations of the Investment Committee, which were to **approve the transfer of the money market and checking accounts at Regions, TD, SunTrust, and PNC Banks to the US Bank Custody Account, and the investment of funds in the Hancock/Whitney Bank money market to a six month CD at that bank**. The motion passed 4-0.

The Board **asked Mr. Hendrickson to research the security of Custodial Accounts**.

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

Mr. Hendrickson, Ms. Denihan, and Ms. Berner reported on the status of the program, and presented a new chart that tracked revenues and expenses of the program.

Ms. Howell stated that the County was committing an additional \$300,000 of funds to the DPA Program, and was researching options for additional funds from the upcoming fiscal year funds.

Ms. Denihan reported that the \$250,000 SHIP DPA agreement with the County would be moving forward, and that the HFA might need to lower the rate on the mortgages to 3.875% to move the funds.

Ms. Berner and Mr. Clement reported that they were still researching the HFA's FINRA exemption.

[Chair Koehler, Vice-Chair Hollis, and Secretary DiMaio arrived. Ms. Koehler took the Chair.]

IX. Federal Tax Bill

Mr. Hendrickson explained the proposed US House's tax bill, which would eliminate all Private Activity Bonds—meaning all single family bonds, MCC's, rental bonds, and the related 4% Housing Credits. He explained the efforts being made to remove that provision, and to encourage the US Senate to not include any similar provision in its version of the bill.

X. Staff Workload

Mr. Hendrickson noted that a considerable amount of staff time would need to be devoted to the federal legislation, if the Board directed such action. He noted that workload would also include launching the City of Tampa DPA program, working with developers who wished to close bond issues before the end of the year because of the possible tax law changes, and responding to a lengthy public records request. Mr. Hendrickson stated that the Tempo owners had contacted the HFA asking that an additional \$20 million bond issue be closed before the end of the year, which he noted

would involve tremendous workload for staff and the professional team, and would involve various waivers and special HFA meetings. Mr. Hendrickson and Mr. Clement explained that current Board policy permitted publication of a TEFRA notice and holding a TEFRA hearing for developments that had not been given initial HFA Board approval, but that the TEFRA approval could not be submitted to the BOCC for action until the HFA Board approved that action. Mr. Hendrickson also noted that the Bethune Residence I at West River deal might also attempt an escrow closing before the end of the year.

A Board discussion followed, focused on providing priorities to staff and the professional team. The Board **directed Mr. Hendrickson to give first priority to the federal legislation, and to work with Ms. Farris on the public records request.**

After additional discussion, Mr. Kelley moved, with a second by Mr. Hedges, that the Board **direct Ms. Farris to discuss with the principals who had engaged the attorney making the public records request, both the timing of the request and the HFA's response.** The motion passed 6-0, with Mr. Hollis abstaining. Mr. Hollis did not participate in the vote or the discussion due to the Tampa Housing Authorities involvement in the request for action on The Tempo and the public records request.

[Mr. Busansky left the meeting.]

XI. New Multi-Family Financings

Mr. Clement explained the process for an escrow closing.

Mr. Wilson presented the request from Blue Sky Communities related to the design of the **Preserve at Sabal Palm**. After discussion, Mr. DeBose moved, with a second by Mr. Hollis, that the **Board approve the change from townhomes to garden apartment design, contingent upon approval of PUD amendment by the County.** The motion passed 6-0.

XII. SEE, FHFC, & County Reports

Mr. Hedges reported on the SEE effort and the need to meet with all legislators prior to the January start of the 2018 legislative session. He also reported on his presentation to the Hillsborough County Legislative Delegation public meeting on November 3, and other legislative meetings. Mr. Hollis reported that he had met with aides for Senator Lee and Representative Spano.

XIII. Adjournment

On a motion by Mr. Hedges, seconded by Mr. Hollis, the Board voted 6-0 to adjourn the meeting (10:55 AM).