

HOUSING FINANCE AUTHORITY OF HILLSBOROUGH COUNTY

Minutes of April 10, 2020 Board Meeting

Board Meeting

The meeting was held by means of Communications Media Technology, specifically via a telephonic conference call.

I. Attendees

Chairman David Hollis called the HFA Board Meeting to order at 9:30 a.m. Executive Director Mark Hendrickson called the roll and asked each person on the call who was not a Board member to identify themselves.

In attendance were Chairman David Hollis, Vice-Chairman Ed Busansky, Secretary Frank DeBose, and Board Members Harry Hedges, Mike Kelley and Debra Koehler.

Also present were (Mark Hendrickson (HFA Executive Director), Mary Helen Farris (HFA General Counsel), Misty Taylor (HFA Bond Counsel—BMO), Cheryl Howell (Hillsborough County), Helen Feinberg and Debbie Berner (HFA Investment Banker—RBC Capital Markets), Sue Denihan (HFA Single Family Program Administrator—eHousing), Tricia Heintz (HFA Trustee- Bank of New York Mellon), Jordan Nelson and Brianne Heffner (Southport), Kevin Troupe (Vestcor), and Shawn Wilson, Jeff Harlan, Scott MacDonald and Angela Hatcher (Blue Sky Communities). attended by telephone.

II. Statement by Chairman Hollis on Meeting Conduct

Mr. Hollis read a statement on how the meeting would be conducted, including that all votes would be taken by roll call, and that all persons should identify themselves before speaking, making a motion, or seconding a motion.

III. Communications Media Technology

Ms. Farris presented a proposed Communication Media Technology policy for Board consideration. After discussion, Ms. Koehler moved, with a second by Mr. Hedges, that the Board **approve the Communications Media Technology policy, as drafted by Ms. Farris.** The motion passed 6-0.

IV. Minutes

Mr. DeBose moved, with a second by Mr. Hedges, that the Board **approve the minutes of the March 13, 2020 meeting.** The motion passed 6-0.

V. Public Comment

There were no public comments.

VI. HFA Monthly Investments & Financial Statements

Mr. Hendrickson presented the March 2020 Financial Statements, as prepared by the HFA's CPA firm. After discussion, Ms. Koehler moved, with a second by Mr. DeBose, that the Board **approve the March 2020 Financial Statement.** The motion passed 6-0.

Mr. Hendrickson stated that the in-person Investment Committee training had been canceled due to COVID-19, and that Board members had been invited to attend weekly market updates conducted by RBC Capital Markets.

VII. Bond Allocation

Ms. Taylor updated the Board on bond allocation.

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

Mr. Hendrickson discussed the program, noting that volume had increased in March, but that the impact of COVID-19 on the market was not yet known.

Ms. Berner updated the Board on several interest rate changes made in reaction to the volatile market, stating that the market had settled and that the current mortgage rate is 3.625% for all loans.

Mr. Hendrickson and Ms. Denihan discussed a problem that had been discovered related to title companies not recording HFA second mortgages as they have been instructed to do. Mr. Hendrickson stated that the extent of the problem was not known, but it had been discovered when County staff found several loans submitted for SHIP reimbursement that appeared to not have recorded loan documents.

A discussion led by Ms. Denihan and Ms. Farris followed as to how best to identify the extent of the problem, prevent it going forward, and correct it for loans already made. The Board joined the discussion, with a consensus that

- Ms. Farris and her assistant would check all loan documents from 2019 and 2020 that they had to ascertain how many had not been recorded, and compare it to the master list of loans maintained by Mr. Hendrickson to determine if there were any loan documents that had not been received at all
- After identifying which 2019-2020 loans had issues, the extent of the problem could be determined
- For loans that were not recorded, Ms. Farris would work with title companies to get them recorded
- Mr. Hendrickson would design a system to check older loans, which would likely entail hiring someone to research the electronic public records database
- Ms. Denihan would work with lenders to make clear that the loans needed to be recorded
- Mr. Hendrickson would send DPA loan requests to Ms. Farris going forward, so that she would know which files to expect and identify those that were not sent to her
- When funding DPA loans, title agents would again be reminded to record the documents

The Board **directed the team to report back on this issue at the May HFA meeting.**

IX. New Multi-Family Financings

Mr. Hendrickson updated the Board on the status of existing applications. Ms. Heffner updated the Board on the timing of the Mango Terrace transaction, estimating that the bond closing would take place in late 2020 or early 2021.

Mr. Hendrickson presented the proposed bond financing for the Millennia Portfolio—Sandhill Village (currently named Summit Ridge) and Windbay Plaza (currently named Mar Plaza). He explained that the former owner, Global Ministries Foundation, had been removed by HUD via a sale to Millennia on these and an entire portfolio of Section 8

developments, and that almost all of the properties had been left in a state of massive disrepair by Global Ministries. Mr. Busansky discussed the Millennia company and the work they were doing on a portfolio of similar properties in Jacksonville, where he serves as credit underwriter/servicer. Ms. Feinberg discussed the problems with the structure of the financings that involved Global Ministries Foundation. Ms. Taylor presented the Inducement Resolution, noting that it included a Memorandum of Agreement and authorization to staff to conduct a TEFRA hearing and request BOCC TEFRA approval. After discussion, Mr. DeBose moved, with a second by Mr. Hedges, that the Board **approve the Inducement Resolution for the Millennia Portfolio as drafted by bond counsel**. The motion passed 6-0.

X. Multi-Family Loans & Development Occupancy

Mr. Hendrickson reported on the status of various loans and the continued high occupancy (97.8%) of HFA financed units, but cautioned that impacts on occupancy and rental collections were likely to appear as a result of COVID-19 and its impact on employment.

A discussion of the current situation followed, including comments from Ms. Koehler, Mr. MacDonald, and Ms. Howell. Discussion centered on which types of development served income eligible persons who had been employed in professions severely impacted by the COVID economic crisis—and how to target rental assistance from the County and other sources to those residents/developments. Mr. DeBose requested that the HFA work with the County, and the Board **asked that this be part of the May HFA agenda**.

XI. Other Multi-Family Programs

Mr. Hendrickson reported on the Metropolitan Ministries Homeless Up and Out, Camelot Youth Aging Out of Foster Care, and Catholic Charities. Ms. Farris stated that the CRED Program had a proposed new contract. After discussion, Mr. Hedges moved, with a second by Ms. Koehler, that the Board **authorize the Chairman to execute the new contract with CRED/USF, subject to review and approval by Ms. Farris and Mr. Hendrickson**. The motion passed 6-0.

XII. County Report

Ms. Howell reported on County activities and stated that the amendment adding an additional \$700,000 to the SHIP DPA contract was scheduled for BOCC action May 6.

XI. State Legislative & FHFC Report Update

Mr. Hendrickson presented an update on SEE for 2020, including the legislature's decision to fully fund affordable housing at \$370 million. He reported that the education campaign continued, with emphasis on the concept of Housing = Healthcare, and the fact that SHIP funds could be used directly for rental and mortgage assistance.

Mr. Busansky reported on FHFC activities, including the issues related to on-site inspections of units for monitoring or Plan and Cost Reviews.

XII. Public Comment

Given that the meeting was held via teleconference, Chairman Hollis opened the floor again for public comments. There were no comments.

XIII. New Business

Mr. Hendrickson updated the Board on various conferences, including those that had been canceled and those that were still pending.

XIV. Adjournment

On a motion by Ms. Koehler, seconded by Mr. Debose, the Board adjourned the meeting without objection (10:46 AM).