

Exhibit 6

FLORIDA HOUSING FINANCE CORPORATION

BOARD MEETING

DATE: Friday, December 13, 2013

TIME: Commenced at 8:30 a.m.
Concluded at 10:18 a.m.

LOCATION: Hyatt
Orlando, FL

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BOARD MEMBERS:

LEN TYLKA

BARNEY SMITH, CHAIR

NATACHA MUNILLA

BRIAN KATZ

JOHN HAWTHORNE

RAY DuBUQUE

BILL KILLINGSWORTH

CORPORATE STAFF:

CHRIS HIRST

LAURA COX

NANCY MULLER

STEVE AUGER

DAVID WESTCOTT

JACQUI PETERS

WELLINGTON MEFFERT

JAN CARPENTER

JUNIOUS BROWN

BARB GOLTZ

BILL JOHNSTON

KEN REECY

PROCEEDINGS

1
2 **MR. CHAIR:** Good morning. Okay. Welcome to
3 the December 13th, Friday the 13th, meeting of
4 the Florida Housing Finance Corporation. Merry
5 Christmas and happy holidays to all of you.
6 Welcome to Orlando. Let's call this meeting to
7 order.

8 We have a full agenda this morning, so we'll
9 try and keep this meeting moving. We have a lot of
10 paperwork in front of us and we'll work our way
11 through it. First item on the agenda is the
12 approval of the minutes of the November 1, 2013
13 Board meeting.

14 **MR. KILLINGSWORTH:** Move the minutes.

15 **MR. HAWTHORNE:** Second.

16 **MR. CHAIR:** Any discussion?

17 All right. All those in favor, say aye.

18 (Members reply aye.)

19 **MR. CHAIR:** Any opposed.

20 (No response.)

21 **MR. CHAIR:** Thank you. The approval of the
22 minutes of the December 6th, 2013 telephonic
23 Board meeting.

24 **MR. TYLKA:** Move approval.

25 **MR. KILLINGSWORTH:** Second.

1 **THE COURT:** Any discussion?

2 Hearing none, all those in favor.

3 (Members reply aye.)

4 **MR. CHAIR:** Any opposed?

5 (No response.)

6 **MR. CHAIR:** Okay. We need to ratify the
7 action taken at the December 6th, 2013 telephonic
8 Board meeting.

9 **MR. TYLKA:** Move approval.

10 **MR. HAWTHORNE:** Second.

11 **MS. MUNILLA:** Second.

12 **MR. CHAIR:** Seconded. Any discussion?

13 Hearing none, all those in favor, say aye.

14 (Members reply aye.)

15 **MR. CHAIR:** Any opposed?

16 (No response.)

17 **MR. CHAIR:** Okay. We're moving along very
18 nicely this morning.

19 Okay. Barb, the 2014 operating budget.

20 **MS. GOLTZ:** Thank you, Mr. Chair. You have
21 the package before you for the 2014 operating
22 budget. And staff recommends approval of that
23 budget.

24 **MR. TYLKA:** Move approval for discussion.

25 **MR. HAWTHORNE:** Second.

1 **MR. CHAIR:** Any discussion? Comments,
2 questions? I know we went over the budget in
3 detail. I know a number of you had discussions
4 with Barb and Steve previously.

5 **MS. GOLTZ:** That is correct.

6 **MR. CHAIR:** Okay. Hearing no discussion, all
7 those in favor, say aye.

8 (Members reply aye.)

9 **MR. CHAIR:** Opposed?

10 (No response.)

11 **MR. CHAIR:** Awesome.

12 **MS. GOLTZ:** Thank you, Mr. Chair.

13 **MR. CHAIR:** Legal. Wellington, you have the
14 floor.

15 **MR. MEFFERT:** Thank you, Mr. Chairman. We
16 have three items for your consideration this
17 morning. The first of which is the request for
18 authorization to go forward with rule making on
19 Chapter 67-49. This is the rule that governs
20 procurement of commodities or contractual
21 services. Earlier this month I circulated to you a
22 draft which is also included in your packet that
23 includes the clean copy of the amended rule and the
24 underlined and strike version so you can see what
25 changes were made.

1 I would recommend that you authorize us to go
2 forward with rule making on this rule. And if you
3 have any questions, I'd be happy to answer.

4 **MR. TYLKA:** Move approval.

5 **MR. HAWTHORNE:** Second.

6 **MR. CHAIR:** Any discussion?

7 Quiet group this morning.

8 All those in favor, say aye.

9 (Members reply aye.)

10 **MR. CHAIR:** Opposed?

11 (No response.)

12 **MR. CHAIR:** Excellent.

13 **MR. MEFFERT:** The second item regards
14 signature authority. Due to some personnel changes
15 in the corporation, some folks retiring and
16 leaving, we need to have a resolution authorizing
17 assistant secretaries to attest to bond documents.
18 And those -- that resolution was also included in
19 your packet. And staff recommendation would be
20 that you approve the resolution.

21 **MR. KILLINGSWORTH:** Move to approve.

22 **MR. HAWTHORNE:** Second.

23 **MR. CHAIR:** Discussion? No?

24 All those in favor.

25 (Members reply aye.)

1 **MR. CHAIR:** Opposed?

2 (No response.)

3 **MR. CHAIR:** Very good. Item C.

4 **MR. MEFFERT:** And the third item is a
5 recommended order from the Division of
6 Administrative Hearings in the case of Duval Park
7 Limited versus Florida Housing Finance Corporation.
8 That's case 2013-14BP. DOAH case number
9 13-2898BID. And Osprey Apartments, LLC versus
10 Florida Housing Finance Corporation. Florida
11 housing case number 2013-15BP and DOAH case
12 13-2899BID. These cases were consolidated for
13 hearing at DOAH because they were both challenges
14 to your decision to fund on the special needs RFP.

15 The administrative law judge found that
16 Florida Housing's scoring was correct and that your
17 decision, therefore, should be affirmed. So this
18 is for your approval. The recommendation is that
19 you adopt the findings of facts and conclusions of
20 law of the recommended order as your own and adopt
21 the recommendation as your own and issue a final
22 order accordingly.

23 **MR. TYLKA:** So move approval.

24 **MR. HAWTHORNE:** Second.

25 **MR. CHAIR:** Any discussion?

1 Finally win one here, huh?

2 **MR. MEFFERT:** Yeah. I wouldn't say finally.

3 **MR. CHAIR:** Okay. All those in favor.

4 (Members reply aye.)

5 **MR. CHAIR:** Opposed?

6 (No response.)

7 **MR. CHAIR:** Very good.

8 **MR. MEFFERT:** Thank you.

9 **MR. CHAIR:** Thank you, Wellington.

10 Ken, you have a lot to talk about this
11 morning.

12 **MR. REECY:** I think so. Good morning,
13 Mr. Chair. Thank you very much.

14 So we have several RFAs to consider. The
15 first one is consideration of applications received
16 for RFA 2013-001 for affordable housing
17 developments located in medium and small counties.
18 On September 19th, Florida Housing staff issued
19 the RFA to award an estimated 11.1 million of
20 housing credits to proposed developments located in
21 medium counties. And an estimated 1.3 million of
22 housing credits to developments located in small
23 counties. The deadline for the applications was
24 Thursday, October 17th.

25 Florida Housing received 96 applications in

1 response to this RFA. The executive director
2 designated a review committee composed of Florida
3 Housing staff. Each member of the review committee
4 independently evaluated and scored their assigned
5 portions of the submitted applications, consulting
6 with non-committee corporation staff and legal
7 counsel as necessary and appropriate. At the
8 November 21, 2013 review committee meeting,
9 committee members presented their scores and the
10 committee carried out the funding selection
11 process. The sorting order chart provided as
12 Exhibit A lists the eligible and ineligible
13 applications. The eligible applications are listed
14 in order from highest total score to lowest total
15 score, with all funding selection criteria as
16 applied as outlined in the RFA.

17 The review committee considered the following
18 two motions: One, a motion to adopt the scoring
19 results as set out in Exhibit A. And two, a motion
20 to tentatively select the 11 applications set out
21 on Exhibit B for funding and to invite the
22 applicants to enter credit underwriting. Both of
23 the motions were passed unanimously. At the
24 completion of any litigation and approval by the
25 Board of all recommended orders with regard to this

1 RFA, the Corporation will offer all applicants
2 within the funding range an invitation to enter
3 credit underwriting.

4 So our recommendation is to approve the
5 committee's recommendations, that the Board adopt
6 the corresponding results in total as set out in
7 Exhibit A, and authorize the tentative selection of
8 the applications set out in Exhibit B for funding
9 and invitation to credit underwriting. An
10 unallocated balance of \$114,830 for medium county
11 funding remains. As provided in the RFA, any
12 remaining funding would be distributed as approved
13 by the Board. If no notice of protest or formal
14 written protest is filed in accordance with Section
15 120, Florida Statutes, staff will proceed to issue
16 an invitation to enter credit underwriting to the
17 11 applications set out in Exhibit B. If a notice
18 of protest or formal written protest is filed in
19 accordance with the Section 120, Florida Statutes,
20 then at the completion of the all litigation, staff
21 will present all recommended orders for the Board
22 approval prior to issuing the invitations to enter
23 credit underwriting to those applicants in the
24 funding range.

25 **MR. CHAIR:** Okay. I'm assuming that we can

1 move all four of these recommendations in one
2 motion, correct?

3 **MR. AUGER:** Yes, correct.

4 **MR. CHAIR:** Okay.

5 **MR. TYLKA:** Move approval.

6 **MS. MUNILLA:** Second.

7 **THE COURT:** Okay. It's been seconded.

8 Discussion?

9 **MR. AUGER:** Mr. Chair, if I may.

10 **MR. CHAIR:** Yes.

11 **MR. AUGER:** Just to remind everyone, this is
12 the small, medium RFA, so there was a handful of
13 things that folks had to give us, requirements,
14 which included stuff, you know, evidence that the
15 developer entity was legally formed, experience. I
16 think we had site control as a part of that,
17 development cost proforma, you know, a whole set of
18 things that were just requirements they had to
19 meet. And then there were a couple of scored
20 items, local government contribution, which was
21 worth five points, and proximity to transit and
22 community services. And if you met the minimum
23 score requirements of that, you got the full 22
24 points. So that's how folks got to the 27 points.

25 Then we had some tiebreakers, which include a

1 leveraging, you know, score, request amount for set
2 aside units. So we grouped the applications into
3 two groups, A and B. And the A's had the lower
4 request amount, the better leveraging, versus the
5 B's. And then the statutorily required Florida job
6 creation preference, and then ultimately a lottery
7 number. So as we talked about when we designed the
8 RFA, we got the minimum requirements, and then it
9 pretty much came down to lottery.

10 So then you'll remember that we had sort of
11 two pots of funding, small and the medium. And we
12 had a goal -- if you go to Exhibit B, we had a goal
13 to do a deal in the Keys. And so that was the
14 first one selected. So even though that was a B
15 group deal because it's more challenging and
16 generally more expensive to build down there,
17 because that was a goal, that one got selected
18 first. And then we had a goal that we discussed to
19 make sure that we did a second small county deal
20 that was other than the Keys so that the Keys
21 didn't, you know, eat up all the small county
22 money. And that's that Flagler deal.

23 Then in the medium counties, we had a goal to
24 get a development on the SunRail line, a TOD,
25 transit-oriented development goal. And so that was

1 the Seminole County one selected there. And then
2 after meeting those goals, then we were -- you
3 know, in the medium counties, just taking the
4 highest-scoring application that met both the
5 county test, which was, you know, one per county,
6 and the funding test, meaning that we had enough
7 money in the pot to fund, I think it was, 100
8 percent of their request amount. And so that was
9 how we got the rest of these deals. And you can
10 kind of look at the lottery numbers and sort of see
11 how that played out.

12 So that's sort of how we got from Exhibit A to
13 Exhibit B. We received yesterday a withdrawal
14 notice for application 2014-092C, Pinnacle Hammock
15 Crossings and Bay. So one of the reasons that we
16 had you approve Exhibit A and not just Exhibit B is
17 by approving the scores, that way return stuff in
18 the, you know, RFA, as a part of the request for
19 applications, that instruction, it sort of has the
20 language that explains here's what happens when a
21 deal withdraws. So that's sort of self-executing.
22 So we'll need to go back and verify it, but, you
23 know, but assuming that withdrawal, if we -- you
24 know, and that one was 1,075,000.

25 So if that money comes back, you know, that

1 gets added to that 114, then if you go back to, you
2 know, Exhibit A and look at, you know, starting
3 with the medium county deals and go down and, you
4 know, the highest scoring one which can be funded
5 with that request amount is probably gonna be the
6 Mystic in Leon County at 1182. So again, we'll
7 need to verify that. But the language in the RFA
8 is sort of self-executing in that regard. So
9 that's why we had you approve Exhibit A. So when
10 you -- if there's any further withdrawals or
11 anything, you know, we have the scores approved and
12 that stuff that's just sort of self-executing.

13 **MR. CHAIR:** So you won't have to come back
14 just to approve a substitute.

15 **MR. AUGER:** Right, no.

16 **MR. CHAIR:** Okay.

17 **MR. AUGER:** And, you know, we built in, as Ken
18 mentioned, leftover pots of money in various RFAs
19 with 2014 credits would be as the Board, you know,
20 determines. So when we get through all the 2014
21 RFAs, we'll see sort of what little pots we have
22 and we can group them up. And at that point, take
23 a look at what we want to do. How much farther the
24 2014 credits -- and what we want to do. But in
25 some of them -- in this one, we had -- and you

1 know, we'll have a little bit left over in the
2 large county southeast one, and some of these where
3 we wanted to make sure in that one where we
4 wanted -- that's the Broward, Miami-Dade, Palm
5 Beach, we wanted to make sure we got at least two
6 deals in Miami-Dade, two deals in Broward and one
7 in Palm Beach. And we wrote into the RFA that if
8 we needed to give a binding commitment if we don't
9 have enough credits in the pot to get that second
10 Broward deal done, that we would -- you know, that
11 we'd do that.

12 So in some RFAs, we may have money left over
13 and in some RFAs, we may be a little slightly
14 overcommitted. So we'll see kind of how they all
15 balance out and see where we are at the end and
16 what's left over. And then we'll bring to you all
17 a recommendation, what to do with all the leftover
18 2014 credits at that point. So hopefully that
19 makes sense. And if there's any --

20 **MR. CHAIR:** Makes sense to me. John?

21 **MR. HAWTHORNE:** I have a question concerning
22 redistribution. Looking at the amount that was
23 allotted for medium counties versus small counties,
24 it's a pretty wide disparity there. 11 versus 1.3.
25 Is that set in stone, that that money has to go to

1 a medium county, or is there an opportunity to do
2 some redistribution if there are smaller counties
3 that can qualify just to get more money into
4 smaller counties?

5 **MR. AUGER:** Mr. Chair.

6 **MR. CHAIR:** Yes.

7 **MR. AUGER:** Just a reminder, John, that that
8 was going back to a meeting a few months ago. I
9 think it was the August meeting we went over,
10 remember the small, medium and large pots are tied
11 to the Shimberg need numbers. And then we -- then
12 we put those into the qualified allocation plan
13 that y'all approved and then the governor signed.
14 So those pots were based on, you know, the relative
15 need and then we set them in stone. What we did do
16 in the small county one here was because when you
17 do it based on relative need like that, small
18 counties -- and when we're talking about relative
19 need, we're talking about cost burden renter
20 households. The Keys deals have been eating up all
21 of the small county money, so we, in this RFA, we
22 put in the goal to make sure we got a second deal
23 done. And if we had to overallocate a little bit
24 with the small county, we would do that and then,
25 you know, hopefully pay it off later with the money

1 left. So we made sure that we got that goal of the
2 two -- you know, the two deals in there.

3 And just another reminder, in those
4 discussions, that we had talked about with our HOME
5 money, having two \$15 million tranches. The first
6 one that we're getting out is to be used with
7 bonds. That's the money that has to be committed
8 by summer 2014. But then with that second million,
9 I mean, that second tranche of 15 million of HOME
10 that has to be committed by summer 2015, we had
11 talked about at the time that we were looking at
12 the allocation of our resources. John, that is
13 when we talked about targeting smaller counties
14 with those recourses which is, you know, perhaps a
15 little better match because it's -- you don't have
16 to worry about trying to attract investors to some
17 of the small counties, which can be challenging.

18 **MR. HAWTHORNE:** I thought I knew the answer,
19 but I was just checking.

20 **MR. CHAIR:** Thank you, John.

21 Any further discussion?

22 Okay. Let's call this to question.

23 All those in favor, say aye.

24 (Members reply aye.)

25 **MR. CHAIR:** Opposed?

1 (No response.)

2 **MR. CHAIR:** Very good. Thank you.

3 Ken, back to you.

4 **MR. REECY:** Thank you, Mr. Chair. All right.

5 The second one is to consider applications received
6 for RFA 2013-002 for affordable housing
7 developments located in Duval, Hillsborough, Orange
8 and Pinellas Counties.

9 On September 19th, Florida Housing issued
10 this RFA to award 7.9 million in housing credits to
11 proposed developments located in those counties.

12 The deadline for this application was
13 October 30th. Florida Housing received 34
14 applications in response to this RFA. And as
15 before, the executive director designated a review
16 committee comprised of Florida Housing staff to
17 review these. Each member of the review committee
18 independently evaluate and scored their assigned
19 portions of the submitted applications consulting
20 with non-committee corporation staff and legal
21 counsel as necessary and appropriate.

22 At its December 11th, 2013 review committee
23 meeting, committee members presented their scores
24 and the committee carried out the funding selection
25 process in accordance with the RFA. The RFA

1 2013-002 sorting order chart provided as Exhibit A
2 lists the eligible and ineligible applications.
3 The eligible applications are listed in order from
4 highest to lowest score, with all funding selection
5 criteria applied as outline in the RFA. The
6 ineligible applications are listed in assigned
7 application number order.

8 The review committee considered the same two
9 motions as we discussed in the last item: A motion
10 to adopt the scoring results. And a motion to
11 tentatively select the applications in Exhibit B
12 for funding and to invite those applicants to enter
13 credit underwriting. Both of the motions passed
14 unanimously.

15 The recommendation is to approve the
16 committee's recommendations that the Board adopt
17 the scoring results set out in Exhibit A and
18 authorize the tentative selection of the
19 application -- the six applications set out in
20 Exhibit B for funding and invitation to credit
21 underwriting.

22 **MR. CHAIR:** Ken, can we pause for one second?
23 I think we're actually on Exhibits G and H, aren't
24 we?

25 **MR. REECY:** G and H. Okay. I have an early

1 version of the --

2 **MR. CHAIR:** Does everyone have G and H in
3 front of them? These were e-mailed out after the
4 Board package.

5 **MR. REECY:** My apologies.

6 **MR. CHAIR:** Thank you. We just have a lot of
7 paperwork up here we're trying to shuffle through.

8 **MR. REECY:** Okay. So an unallocated balance
9 of 167,000 remains. As provided in the RFA, any
10 remaining funding will be distributed as approved
11 by the Board. And as before, if there are no
12 protests, staff will proceed to issue an invitation
13 to credit underwriting for the six applications.
14 And if a notice of protest or formal written
15 protest is filed, staff will present all
16 recommended orders to the Board prior -- for
17 approval prior to issuing the invitations to enter
18 credit underwriting to those applications in the
19 funding range.

20 **MR. CHAIR:** All righty. Thank you, Ken.

21 **MR. TYLKA:** Move approval.

22 **MR. HAWTHORNE:** Second.

23 **MR. CHAIR:** Discussion. Steve.

24 **MR. AUGER:** Just the scoring on this one was,
25 in terms of the requirements and the things that we

1 were looking at and scoring were pretty much the
2 same. So the difference when we got to the
3 selection was we had a goal to do a TOD, another
4 TOD on the SunRail. So that was the first one
5 selected, the Lexington Court Apartments. And then
6 after that, it was making sure we got, you know, at
7 least one in each of those four counties. And so
8 you see there with the next -- the Duval, Pinellas,
9 Hillsborough, and Orange, you know, those were --
10 looking at their lottery numbers, you can see kind
11 of the highest ones. And then we had some money
12 left. We had money left at that point, so after we
13 made sure we got one from each county, then we
14 looked for, you know, the next highest scoring
15 application, I believe, that could meet the funding
16 test, you know, that could be fully funded. And
17 that was how we picked up that second Orange and
18 second Pinellas, those last two deals.

19 **MR. CHAIR:** All right. Got it.

20 Questions? Quiet group.

21 **MS. MUNILLA:** You guys did a great job in
22 talking to us.

23 **MR. CHAIR:** Exactly.

24 Okay. Let's call this to question then.

25 All those in favor, say aye.

1 (Members reply aye.)

2 **MR. CHAIR:** Opposed?

3 (No response.)

4 **MR. CHAIR:** Very good.

5 Ken, can you pause for one second and let us
6 get to the appropriate paperwork here?

7 **MR. REECY:** Certainly.

8 **MR. CHAIR:** We're on the supportive housing,
9 properties for persons with developmental
10 disabilities.

11 **MR. AUGER:** Right. So the next one is --

12 **MR. CHAIR:** Exhibit A.

13 **MR. AUGER:** Yes. So this is the RFA 2013-004
14 for financing to build larger permanent supportive
15 housing properties for persons with developmental
16 disabilities.

17 **MR. CHAIR:** Okay. Is it Exhibit A and
18 Exhibit B?

19 **MR. AUGER:** Yes.

20 **MR. CHAIR:** Got you. Okay.

21 **MR. AUGER:** We really appreciate y'all's
22 patience with the review committees for the last of
23 these, one was last Friday. And then I think
24 Monday, Tuesday and Wednesday --

25 **MR. REECY:** Yes.

1 **MR. AUGER:** -- of this week, so --

2 **MR. REECY:** Four days in a row.

3 **MR. AUGER:** So we appreciate it.

4 **MR. CHAIR:** It's been a productive week?

5 **MR. AUGER:** Yes, it has.

6 **MR. MEFFERT:** Mr. Chairman, if I may. I just
7 wanted to let you know, given what you just heard
8 about the number of RFAs and the work that staff
9 has put in, that I've gotten calls from counsel for
10 the various developers in the last day or so
11 praising your staff for the professional job they
12 did. And they've contrasted this with other
13 agencies where they appear for these sort of
14 proceedings and said ours is just first rate. And
15 I just wanted to let that be part of the record.

16 **MR. CHAIR:** You think it's because of the new
17 chair, Wellington?

18 (Laughter.)

19 **MR. MEFFERT:** Absolutely, Mr. Chairman. Could
20 not be anything else.

21 **MR. CHAIR:** Exactly. Thank you.

22 All right, Ken, back to you.

23 **MR. REECY:** Okay. Thank you. So this is
24 consideration of applications received for RFA
25 2013-004 as mentioned. Florida Housing was

1 appropriated \$10 million in recurring --
2 non-recurring grant funds by the 2013 legislature
3 for housing for persons with developmental
4 disabilities as defined in Florida Statutes. The
5 legislation specified that Florida Housing must
6 offer the funding through a competitive grant
7 program to private non-profit organizations whose
8 primary mission includes serving persons with
9 developmental disabilities. Funding must be used
10 for new construction and renovation of existing
11 housing units, including community residential
12 homes.

13 Florida Housing will split the -- did split
14 the \$10 million of appropriation into two RFAs, one
15 for smaller developments and then this RFA was
16 \$6 million in grant funding made available for
17 larger multifamily properties. The deadline for
18 receipt of applications was November 8th, 2013.
19 Florida Housing received six applications in
20 response to this RFA. And as before, the executive
21 director designated a review committee composed of
22 Florida Housing staff. And each member of the
23 review committee independently evaluated and scored
24 their assigned portions of the applications
25 consulting with non-committee corporation staff and

1 legal counsel as necessary and appreciate.

2 At its December 9th, 2013 meeting, the
3 committee members presented their scores and the
4 committee carried out the funding selection process
5 in accordance with the RFA. The RFA 2013-004
6 sorting order chart provided in Exhibit A lists the
7 eligible and ineligible applications. The eligible
8 applications are listed in order from highest to
9 lowest total score with all funding selection
10 criteria applied as outlined in the RFA. The
11 review committee, again, considered the same two
12 motions as you've heard before, to adopt the
13 scoring results and to tentatively select the
14 applications set out in Exhibit B for funding, and
15 to invite the applications to credit underwriting.
16 Both motions were passed unanimously.

17 So the recommendations are to approve the
18 committee recommendations, that the Board adopt the
19 scoring results set out in Exhibit A, and to
20 authorize the tentative selection of the three
21 applications set out in Exhibit B for funding and
22 invitation to credit underwriting. And as before,
23 if there is no notice of formal written protest,
24 staff will proceed to issue an invitation to credit
25 underwriting. If there is a notice of protest,

1 then the staff will present all recommended orders
2 for Board approval prior to issuing invitations to
3 credit underwriting.

4 **MR. TYLKA:** Move approval.

5 **MR. DUBUQUE:** Second.

6 **MR. CHAIR:** Okay. Discussion. Steve, I
7 suspect you have something to say.

8 **MR. AUGER:** Just a little color commentary
9 here. This was part of the grant funding, you
10 know, that Ken mentioned. And you'll remember that
11 within the RFA -- well, as part of our 2014 tax
12 credit allocation, 5 percent of the tax credits
13 are -- you know, go to fund properties that serve
14 folks with a disabling condition. So we used that
15 5 percent of the tax credits here with this RFA.
16 And then there was the ability for folks to come in
17 this RFA for just grant funding. So within it, you
18 have -- we had a goal to do one development that
19 did not have tax credits. And then we had enough
20 funding with the tax credits and the grant funding
21 and some other SAIL ELI funding to do two of the
22 developments with tax credits.

23 So there was some kind of basic sort of
24 mandatory requirements they had to give us which
25 included site control and proforma and that sort of

1 stuff. And then on this one, there was 85 points
2 that were scored, which included outreach and
3 marketing tenant selection, optional green
4 features, optional accessibility and adaptable
5 features, operating managing permanent supportive
6 housing, resident services, access to
7 community-based services and amenities and other
8 best practices that will be implemented. So these
9 sections were scored -- some sections were scored
10 independently by one reviewer and others were
11 scored independently by two reviewers. And then
12 the review committee reconciled their scores to
13 agree on a section -- to agree on a score for that
14 section and it was -- the points were really, as
15 you can see, the delineator here. But we had some
16 great applications and, you know, enough resources
17 there to fund those top three.

18 So again, this was sort of new for us, you
19 know, funding these types of developments, but it's
20 been -- you know, it will be great to see sort of
21 how these come to fruition as we move forward with
22 financing and building them.

23 **MR. CHAIR:** Any further questions, discussion?

24 No.

25 Let's call this to question. All those in

1 favor, say aye.

2 (Members reply aye.)

3 **MR. CHAIR:** Opposed?

4 (No response.)

5 **MR. CHAIR:** Excellent. Ken, give us just a
6 second to get to the right notes here. We're on
7 Exhibit C and D, I think. Is that correct?

8 All right. Everyone on the same page? Okay.
9 Ken, have at it.

10 **MR. REECY:** Thank you, Mr. Chair. So this one
11 is to consider applications received for RFA
12 2013-005, financing to build or rehabilitate
13 smaller permanent supportive housing properties for
14 persons with developmental disabilities. Florida
15 Housing was appropriated \$10 million, as was
16 discussed in the last item. Florida Housing split
17 10 million. And this RFA made \$4 million of the
18 10 million available in grant funding for the
19 smaller developments. The deadline for
20 applications for this RFA was November 8th, 2013.
21 Florida Housing received 17 applications in
22 response to this RFA. As before, the executive
23 director designated a review committee. And each
24 member of the review committee evaluated and scored
25 their assigned portions of the submitted

1 applications and consulted with non-committee
2 appropriations staff and local counsel as necessary
3 and appropriate.

4 At its December 10th, 2013 review committee
5 meeting, the committee members presented their
6 scores and the committee carried out the funding
7 selection process in accordance with the RFA. The
8 sorting order chart provided as Exhibit C lists the
9 eligible and ineligible applications. The eligible
10 applications are listed in order from highest to
11 lowest total score with all funding criteria
12 applied as outlined in the RFA. The review
13 committee considered the same two motions: A
14 motion to adopt the scoring results. And a motion
15 to tentatively select the applications set out in
16 Exhibit D for funding, and invite the applicants to
17 credit underwriting. Both motions were passed
18 unanimously.

19 So the recommendations are similar to what
20 you've heard before, to approve the committee's
21 recommendations that the Board adopt the scoring
22 results set out in Exhibit C, and authorize the
23 tentative selection of the 14 applications set out
24 on Exhibit D for funding and invitation to credit
25 underwriting. An unallocated balance of

1 1.9 million -- 1,983,000 remains, and no eligible
2 unfunded applications could be fully funded with
3 this remaining unallocated amount. As provided in
4 the RFA, any remaining funding will be distributed
5 as approved by the Board.

6 Staff recommends that the board authorize
7 corporation staff to issue a new RFA with the
8 remaining funding for financing to build or
9 rehabilitate smaller permanent supportive housing
10 properties for persons with developmental
11 disabilities as soon as possible. And as before,
12 as if there is no notice of protest or formal
13 written protest, staff will proceed to issue an
14 invitation to credit underwriting to the 14
15 applications set out on Exhibit B. And if there
16 is, staff will present all recommended orders for
17 the Board approval prior to issuing invitations to
18 credit underwriting for those applications in the
19 funding range.

20 **MR. HAWTHORNE:** Move to approve.

21 **MR. TYLKA:** Second.

22 **MR. CHAIR:** Okay. Discussions? Steve?

23 **MR. DUBUQUE:** Just a question, Mr. Chair, on
24 the RFA, to allocate the unallocated amount, the
25 1.9 million, when will that be issued? Will that

1 be issued after possible protests and litigation or
2 prior to it?

3 **MR. REECY:** Most likely it will.

4 **MR. DUBUQUE:** After the waiting period?

5 **MR. REECY:** Yes.

6 **MR. AUGER:** And just to clarify that -- we'll
7 post the results of all of these today, and then
8 folks have -- Wellington, correct me if I mess this
9 up -- 72 hours, you know, three days -- pretty much
10 by Wednesday of next week, they'll be required to
11 submit to us a notice of intent to protest. So
12 we'll know kind of what the landscape then is. And
13 then they've got another week -- ten days from
14 there to actually decide to file and file a
15 protest. So we'll know within -- we'll know by
16 middle of next week if anybody is planning to
17 protest. And we'll know within a couple of weeks
18 if anybody actually did.

19 **MR. CHAIR:** So we'll know by the end of the
20 year --

21 **MR. AUGER:** Right.

22 **MR. CHAIR:** -- which protests have been filed?

23 **MR. AUGER:** Correct.

24 **MR. DUBUQUE:** Follow-up, Mr. Chair.

25 **MR. CHAIR:** Yes, Ray.

1 **MR. DUBUQUE:** If there is a protest issued,
2 then this second RFA will not be issued until it is
3 resolved; is that correct?

4 **MR. MEEFERT:** Yes. If that's where the
5 funding is coming from, yes. And the -- we'll know
6 by next Wednesday. Because if they don't file
7 within the 72 hours, excluding the weekend, then
8 they cannot protest.

9 **MR. CHAIR:** Okay. Natacha.

10 **MS. MUNILLA:** No.

11 **MR. CHAIR:** Len, yes.

12 **MR. TYLKA:** The only thing that I have a
13 question on, on the chart, and you did something a
14 little different here, it says total units.
15 Everything's listed as one. And the other charts,
16 we saw the number of units that were affected. And
17 obviously these are different. Is it one unit? I
18 don't think that's your intent in here.

19 **MR. REECY:** Well -- and Nancy, if you --

20 **MS. MULLER:** Mr. Chair.

21 **MR. CHAIR:** Yes, Nancy.

22 **MS. MULLER:** Good morning. In every case, I
23 believe here, the one unit actually refers to, and
24 our legislation directed us, to offer funding to
25 what are called community residential homes or

1 group homes for persons with developmental
2 disabilities. So there are bedrooms within these
3 group homes. And so instead of calling those
4 bedrooms units, it made sense to call these
5 individual group homes one unit.

6 **MR. TYLKA:** I understood that. I just wanted
7 to make sure that --

8 **MS. MULLER:** Make sure, right.

9 **MR. TYLKA:** -- everybody else understood that
10 we weren't just fixing one guy's little house.

11 **MS. MULLER:** Exactly. Thank you.

12 **MR. CHAIR:** Thank you, Nancy.

13 Any more questions or discussion?

14 Okay. Let's call this to question.

15 All those in favor.

16 (Members reply aye.)

17 **MR. CHAIR:** Opposed.

18 (No response.)

19 **MR. CHAIR:** Very good. One to go. Ken, give
20 us just a second to shuffle through the paperwork
21 here. I think we're on to Exhibits E and F; is
22 that correct?

23 **MR. REECY:** Yes.

24 **MR. CHAIR:** Everyone ready?

25 Okay. Let do this.

1 **MR. REECY:** Okay. Thank you, Mr. Chair.

2 So this is consideration of applications for
3 RFA 2013-006 for financing to build permanent
4 supportive housing for homeless persons and
5 families. Florida Housing was appropriated
6 \$10 million in recurring grant funds by the 2013
7 legislature to provide housing for homeless
8 persons. The legislation specified that Florida
9 Housing must offer the funding through a
10 competitive grant program to private non-profit
11 organizations. Funding must be used to develop
12 housing for homeless individuals and families with
13 priority given to those households with extremely
14 low incomes. The funding is to be used to purchase
15 and renovate existing houses or to construct or
16 purchase and renovate small speciality housing of
17 15 units or less. The deadline for receipt of
18 applications for this RFA was November 8th, 2013.

19 Florida Housing received 13 applications in
20 response to this RFA. As before, the executive
21 director designated a review committee composed of
22 Florida Housing staff. And each member of the
23 review committee independently evaluated and scored
24 their assigned portions of the applications
25 consulting with non-committee corporation staff and

1 legal counsel as necessary.

2 At its December 6th, 2013 review committee
3 meeting, the committee members presented their
4 scores and the committee carried out the funding
5 selection process in accordance with the RFA. The
6 RFA sorting order chart provided as Exhibit E lists
7 the eligible and ineligible applications. The
8 eligible applications are listed in order from
9 highest to lowest total score with all funding
10 selection criteria applied as outlined in the RFA.
11 The review committee considered two motions: To
12 adopt the scoring results set out on Exhibit E.
13 And a motion to tentatively select the applications
14 set out on Exhibit F for funding and invite the
15 applicants to enter credit underwriting. Both of
16 the motions were passed unanimously.

17 The recommendations are to approve the
18 committee's recommendations that the Board adopt
19 the scoring results and authorize the tentative
20 selection of the six applications for funding and
21 invitation to credit underwriting. An unallocated
22 balance of \$1,696,898 remains. No eligible
23 unfunded application could be fully funded with
24 this remaining unallocated amount. As provided in
25 the RFA, any remaining funding will be distributed

1 as approved by the Board. Staff recommends that
2 the Board authorization corporation staff to issue
3 a new RFA with the remaining funding for financing
4 to build permanent supportive housing for homeless
5 persons and families as soon as possible.

6 And as before, if no notice is received, the
7 staff will proceed with -- to issue invitations to
8 credit underwriting to the six applications set out
9 on Exhibit F. And if there is a protest or formal
10 written protest, then at the completion of
11 litigation, staff will present all recommended
12 orders to the Board for approval prior to issuing
13 invitations to credit underwriting to those
14 applicants.

15 **MR. TYLKA:** Move approval.

16 **MS. MUNILLA:** Second.

17 **MR. HAWTHORNE:** Second.

18 **MR. CHAIR:** Discussion?

19 **MR. HAWTHORNE:** I have a question.

20 **MR. CHAIR:** Yes, John.

21 **MR. HAWTHORNE:** I noticed under Camp of
22 Veterans Village 2014-165G, it said it received no
23 points for ability to proceed. What is ability to
24 proceed and why did they get a zero for that?

25 **MR. CHAIR:** Yes, Steve.

1 **MR. AUGER:** Mr. Chair, the ability to proceed
2 was a tiebreaker on this RFA. So on this one, we
3 had, you know, that series of mandatory items:
4 Site control, funding request amount, proforma, you
5 know, some other issues about making sure that
6 you're a legally formed entity, nonprofits and
7 those sorts of things. Then there was a set of
8 points that folks were scoring which was really the
9 delineator, John. And those were operating and
10 managing permanent supportive housing experience
11 with that, the accessibility, adaptability, you
12 know, universal design and visitability features,
13 access to community-based services, you know, other
14 best practices around those things. You know, so
15 those were the delineators. And we had some
16 tiebreakers which included leveraging and ability
17 to proceed. And the ability to proceed points, you
18 know, are generally related to you've got your
19 zoning and site plan. You know, some of those
20 local hoops you have to jump through, having that
21 stuff already done.

22 **MR. HAWTHORNE:** Already done. Okay.

23 **MR. AUGER:** And we wanted that to be a part of
24 the mix just because this funding is on kind of a
25 quick timeline as required by the legislature, but

1 we didn't want that to be the be-all, end-all
2 delineator. So it was that other more substantive
3 stuff about serving these particular populations
4 that's really where this scoring happened. And you
5 see on this one that we had a -- we had a pretty
6 good handful of ineligible applications. And most
7 of those were related to site control, not meeting
8 the requirements that we had. And we haven't been
9 able to go out and talk to folks because it's been
10 a blackout period, you know, here with the
11 application process. My guess is when we do the
12 homework on this, these are not folks that are sort
13 of typically coming in for our process. And I
14 suspect that the time crunch on getting this in was
15 kind of the big issue.

16 So with what you approved today, if you
17 approve this, we'll have, you know, over 80 percent
18 of this funding awarded and that can get going.
19 And then we'll go back out and, you know, and let
20 folks reapply for that remaining. So for those
21 folks that may have run out of time, that weren't
22 able to get stuff in, they'll be able to get that.
23 But the bulk of the money will be moving so we can
24 meet that statutory deadline.

25 **MR. HAWTHORNE:** Okay. Just another comment.

1 I'm happy to see that there is a veterans'
2 development that's been approved and hopefully
3 we'll start to see more and more projects that
4 include assistance for veterans. I'm very happy to
5 see that we have one approved.

6 **MR. AUGER:** Thank you.

7 **MR. CHAIR:** Steve, anything further?

8 **MR. AUGER:** No, sir.

9 **MR. CHAIR:** Okay. No other comments, let's
10 call this to question.

11 All those in favor.

12 (Members reply aye.)

13 **MR. CHAIR:** Opposed?

14 (No response.)

15 **MR. CHAIR:** Okay. I think that's the end of
16 the multifamily programs section of the agenda. Am
17 I wrong? Sorry. I need to turn the page. We're
18 at the top of the next page of this section.

19 **MR. REECY:** Almost done with me.

20 **MR. CHAIR:** Two supplements.

21 **MR. REECY:** Okay. This item is to request --
22 is a request to set the interest rate for the HOME
23 loans in RFA 2013-10 as required by rule. RFA
24 2013-10 for the financing of affordable multifamily
25 housing developments with HOME investment

1 partnerships program funding in conjunction with
2 Florida Housing issued multifamily mortgage revenue
3 bond program funding and noncompetitive housing
4 credits.

5 The background on this is that the Corporation
6 issued an RFA on November 22nd and the rule
7 outlines an annual interest rate for HOME loans,
8 1.5 percent for all for profit, and 0 percent for
9 non-profit applicants and public housing
10 authorities. The rule in E, however, states that
11 the annual interest rate for HOME loans where the
12 HOME developments are at least partially financed
13 with bonds, as is the case in this RFA, the loan
14 rate -- the interest rate shall be determined by
15 the Corporation's board of directors. So the Board
16 must establish the interest rate for the HOME loan.

17 The staff recommends that Board set a
18 0 percent annual interest rate for all of the HOME
19 loans issued under this RFA. The reason for that
20 recommendation, we're moving quickly to get these
21 funds committed, as Steve had mentioned, before the
22 HUD deadline of June 30th. So we wanted to make
23 this funding as attractive as possible.

24 **MR. TYLKA:** Move approval.

25 **MS. MUNILLA:** Second.

1 **MR. CHAIR:** Discussion? No one?

2 Okay. All those in favor.

3 (Members reply aye.)

4 **MR. CHAIR:** Opposed.

5 (No response.)

6 **MR. CHAIR:** Very good. Thank you, Ken.

7 I think, Steve, you're up next, with item G.

8 Is that correct?

9 **MR. AUGER:** Yes, sir. So this is request for
10 authorization to utilize the remaining 2013
11 low-income housing tax credit allocation authority.
12 So just a refresher, back in February when the
13 Board designated the 10 percent that at that time
14 by law they could designate for high priorities, we
15 designated half of it to go for public housing
16 authorities with a preference for developments in
17 medium or small counties with strong leveraging
18 positions and ties to initiatives to revitalize
19 their communities. And those were the types of
20 deals that in our last couple of cycles, especially
21 in small and medium counties, were having
22 difficulty scoring well.

23 And then with the other half of those credits,
24 we did the special needs with a preference for
25 developments that were serving veterans. And both

1 of those were challenged. The RFP for the PHA one
2 just had credits in it. And the one for the
3 veterans had credits and SAIL funding in it. So
4 both those were challenged. We, you know, wrapped
5 up the litigation on those with what the Board
6 approved at the last Board meeting. We funded a
7 second PHA deal. And with what you just approved
8 here today, we funded or we, you know, put an end
9 to the challenge on the special needs deal.

10 So with the leftover credits, most of which
11 were from the -- remaining from the PHA deal, then
12 we've got some national pool credits. And so
13 national pool credits are for the states that don't
14 allocate all of their credits from last year; those
15 all get kind of pooled together and then they give
16 them to the states that did allocate all their
17 credits. And they do that on a pro rata basis. So
18 our share of that is about 187,000 in credits. So
19 just a little more. We've had some other credits
20 in various little pots returned, mostly that comes
21 from at the end of the process when folks are doing
22 their final cost certifications, they don't have
23 eligible basis to justify all of their credits, so
24 we get little bits and pieces of credits coming
25 back to us.

1 So we find ourselves with about 1.75 million
2 left of 2013 credits. And so the recommendation
3 here is, you know, going back to looking at what we
4 were trying to target in 2013 with those high
5 priorities and thinking through that, with the
6 money that we wound up getting from the legislature
7 for homeless and special needs, we've done what you
8 just approved, a whole slew of homeless deals.
9 We'll do a few more. And then a reminder, with our
10 2014 credits, half of that 10 percent for high
11 priority again went to the developmentally disabled
12 transactions. And the other half, you know, we
13 designated to do more homeless deals with those tax
14 credits. And as we get to doing that RFA in the
15 beginning of next year, you know, we can build in a
16 preference, if the Board would like to do that, for
17 veterans -- serving veterans there, too. So we got
18 sort of that being arrested going forward.

19 So looking at all that, staff requests the
20 Board authorize us to proceed with issuing a new
21 request for applications to offer housing credits
22 in an amount equal to the remaining 2013 housing
23 credit amount to finance the rehabilitation and
24 revitalization of public housing authority
25 developments with a preference for developments in

1 medium or small counties with strong leveraging
2 positions and ties to initiatives to revitalize
3 their communities as well as for me to be able to
4 establish a review committee to make
5 recommendations to the Board.

6 **MR. CHAIR:** Thank you, Steve.

7 **MR. HAWTHORNE:** Move to approve.

8 **MR. TYLKA:** Second.

9 **MR. CHAIR:** Any discussion? No.

10 All those in favor.

11 (Members reply aye.)

12 **MR. CHAIR:** Opposed.

13 (No response.)

14 **MR. CHAIR:** Very good. Thank you.

15 Chris, the lottery.

16 **MR. HIRST:** Thank you, Mr. Chair, Board. Good
17 morning. A little background on the selection of
18 the seed numbers. From time to time in Florida
19 Housing operation, there's a need to select among
20 competing alternatives, for example, competitive
21 funding programs that require applications to be
22 assigned random lottery numbers. The Office of
23 Inspector General has a process to develop a list
24 of random numbers. The process depends on seed
25 numbers being fed into a random number generator.

1 To remove any bias, we ask that the Chairman select
2 the numbers. I've provided you with a booklet
3 containing 1500 lines and 14 columns of seed
4 numbers. And within that booklet, there's
5 highlighted of the last selection. So if you would
6 as you select, if your finger lands on one of
7 those, please move to another selection.

8 **MR. CHAIR:** How many do you want me to select?

9 **MR. HIRST:** Ten, please.

10 **MR. CHAIR:** Ten. Okay. You have a copy of
11 what I have in front you?

12 **MR. HIRST:** Yes.

13 **MR. CHAIR:** Okay. Page one, line one, column
14 14, 90700. Page two, column three, line 76, 51111.
15 Page three, column seven, line 101, 00770. Page
16 four, column eight, line 171, 00922. Page five,
17 column 12, line 236, 76545. Page six, column 14,
18 line 255, 80600. Page seven, column one, line 326,
19 99390. Page eight, column eight, line 380, 32671.
20 Page 13, column 10, line 621, 19165.

21 Do have I one more?

22 **MR. HIRST:** Yes, sir.

23 **MR. CHAIR:** Okay. Page 15, column seven, line
24 726, 35722.

25 **MR. HIRST:** Thank you.

1 **MR. CHAIR:** Thank you. Nancy, PSS.

2 **MS. MULLER:** Thank you, Mr. Chair. This
3 request for qualifications we issued early in 2013
4 and it remains open to allow non-profit housing
5 counseling agencies to qualify to participate in
6 our foreclosure counseling program. We received --
7 between the last Board meeting and this one, we
8 received one additional housing counseling agency,
9 Broward County Housing Authority doing business as
10 Building Better Communities that's come in and
11 would like to participate in the program. The
12 proposal was reviewed by this RFQ review committee
13 and recommended for approval pending the submission
14 of all required documentation. So today we're
15 asking that you approve Broward County Housing
16 Authority doing business as Building Better
17 Communities, Inc. as recommended for approval by
18 the RFQ review committee.

19 **MR. TYLKA:** So moved.

20 **MR. DUBUQUE:** Second.

21 **MR. CHAIR:** All righty. Any discussion,
22 anyone?

23 **MR. DUBUQUE:** Just a question, Mr. Chair. The
24 required document, has it been received yet or is
25 it still pending? If it's pending, when do we

1 expect to receive it?

2 **MS. MULLER:** It will likely be received in the
3 next few weeks when we contact them and let them
4 know about Board approval. And a contract is
5 carried out with each of these housing counseling
6 agencies and that contract would not be completed
7 until we got that documentation.

8 **MR. DUBUQUE:** Okay. Thank you.

9 **MR. CHAIR:** Thank you, Ray. Anyone else? No.
10 All those in favor.

11 (Members reply aye.)

12 **MR. CHAIR:** Opposed.

13 (No response.)

14 **MR. CHAIR:** Very good. That gets us back to
15 Ken. I believe. Is that correct? Barb. Okay.
16 Thank you, Barb.

17 **MS. GOLTZ:** Thank you, Mr. Chair. Back in
18 September, the Board authorized issuing an RFQ for
19 trustee services. In October and November, we went
20 through the process of receiving and selecting,
21 holding the review committee meetings. And there
22 were five proposals: The Bank of New York Trust
23 Company, Wells Fargo, US Bank, Zions First National
24 Bank, Regions Financial Corporation. As a result
25 of the receipt of those applications, they were

1 scored and the review committee recommends that the
2 Board adopt the committee's ranking of the
3 proposals and authorize Florida Housing staff to
4 enter into contract negotiations with all five
5 offerors.

6 There are two things that are provisions that
7 need to be met before we can enter into contracts.
8 The first one is proof of professional liability,
9 errors and omission insurance from US Bank and the
10 Bank of New York Trust Company. And secondly, a
11 certificate issued by the comptroller of currency
12 certifying that US Bank is a national banking
13 association.

14 **MR. CHAIR:** Thank you, Barb.

15 **MR. TYLKA:** Move approval.

16 **MS. MUNILLA:** Second.

17 **MR. CHAIR:** Any discussion? Anyone?

18 Brian, you've been awfully quiet this morning.

19 All right. All those in favor.

20 (Members reply aye.)

21 **MR. CHAIR:** Opposed.

22 (No response.)

23 **MR. CHAIR:** Very good. Thank you, Barb.

24 Nancy. It's time for you.

25 **MS. MULLER:** Thank you, Mr. Chair. In 2006,

1 Florida Housing contracted with socialserve.com to
2 develop a web-based housing locator which allows
3 the public to conduct searches for available rental
4 housing. And in the beginning, the focus of the
5 website was just those properties financed by
6 Florida Housing. It was so successful that in
7 2008, Florida Housing went back out to procure,
8 just to expand really, the website to allow it to
9 be used by private landlords as well that were not
10 participating or not part of Florida Housing's
11 portfolio. We get both the web-based housing
12 locator that's available 24/7 as well as a
13 toll-free call center that is run by Socialserve to
14 assist folks who maybe don't have internet, the
15 access to conduct searches, and also to assist
16 qualified landlords to register and update their
17 rental units.

18 The current contract with Socialserve will
19 terminate in February, 2014. When we began to
20 prepare to bring you this in consideration of
21 procurement, we carried out research to evaluate
22 the vendors and services that are available out
23 nationally related to providing for this kind of
24 service. And in our -- based on our evaluation, we
25 believe that socialserve.com is the only vendor

1 with the capacity, qualifications and experience to
2 maintain the level of service that not only we have
3 come to expect but our partner -- state agencies as
4 well as local homeless coalitions and such rely on
5 this service extensively. So we believe that it
6 makes sense and is in the best interest of the
7 public to purchase the service from socialserve.com
8 without going through the competitive solicitation
9 process.

10 Our rule gives Florida Housing the authority
11 to do this upon a written determination by the
12 executive director that the best interest of the
13 public is served by obtaining such a service from a
14 single vendor. So if you were to authorize us to
15 do this, Florida Housing would electronically post
16 a description of the locator services for at least
17 seven business days, including a request that the
18 prospective vendors provide information regarding
19 their ability to supply the described commodities
20 or services that we're seeking.

21 And just a comment that we -- we've just begun
22 to research and look at the concept of creating
23 sponsorship opportunities for organizations and
24 developers to help support the site and to defray
25 costs of the site. So I don't have anything to

1 share with you today about how something like that
2 might work or what kind of interest we would get,
3 but these would not be ads per se. There are some
4 sites out there that have advertising where, for
5 instance, a developer, you know, a property owner
6 purchased -- pays in and then their properties come
7 up and are enhanced in a way that somebody looking
8 for a place to live will see them and click on
9 them. This would be a way to support the site
10 without that kind of giving special consideration
11 to specific developments. So we are, like I said,
12 just in the first blush of looking into this and
13 seeing what we can do to help to fray the costs.

14 So with that, the staff requests that the
15 Board authorize Florida Housing staff to purchase
16 housing locator services directly from
17 socialserve.com without issuing a competitive
18 solicitation and authorize staff to negotiate a
19 contract with socialserve.com. If contract terms
20 can be agreed upon, for up to three years with two
21 additional one-year renewals.

22 **MR. CHAIR:** Thank you, Nancy. Motion, anyone?

23 **MR. DUBUQUE:** So moved.

24 **MR. CHAIR:** Thank you, Ray.

25 **MS. MUNILLA:** Second.

1 **MR. CHAIR:** Seconded by Natacha.

2 Any discussion?

3 **MR. HAWTHORNE:** Question.

4 **MR. CHAIR:** Yes, sir, John.

5 **MR. HAWTHORNE:** Nancy, you and I talked about
6 this earlier, about this sponsorship versus ads.
7 And as you explained it, it won't be an ad per se
8 where a particular developer can have their
9 properties highlighted but more as a support of the
10 service. I'm a little curious as to the value the
11 developer would receive from that without being
12 able to highlight his properties and what types of
13 potential fee structure could be assigned to that.
14 Because I noticed that that particular part of it
15 was not in the recommendation to proceed with that.
16 So where are we in determining whether or not this
17 is something feasible or viable to help offset the
18 cost of the locator service?

19 **MS. MUNILLA:** Right. So I've likened this in
20 my own mind without, you know -- to be very clear,
21 we have not talked to any developers in our
22 community who participate in our process to see
23 whether they would be interested in this. So this
24 is totally me talking blind at this point, but
25 knowing that at least a couple of other states have

1 done versions of this.

2 One option, which I think at the staff level
3 we're not interested in doing because we think it
4 would cost us more money and staff resources than
5 the money we would get, would be that for instance,
6 every time there's a hit on a certain property,
7 then that developer pays for that hit. And I don't
8 think that's a sponsorship, I think you're paying
9 to participate in our locator. And just aside from
10 that, the cost to bill, to keep track and bill on
11 that, it would be sky high. And of course, you
12 know, you and I didn't talk about that. So I liken
13 this to if you've gone to a conference or some sort
14 of meeting where you have members or folks who are
15 sponsoring and there's a big, you know, sign on the
16 wall and those folks get a little shout-out at the
17 front and their names are up there and name
18 recognition means something. And I think that
19 there are organizations, potentially even
20 foundations, that might be another thing for us to
21 look into, but even for-profit developers who may
22 be interested in paying a fee to be recognized in
23 supporting such an important state service. And
24 don't forget that this service, in times of natural
25 disaster, particularly hurricanes, has been used

1 well and fully, not just in this state but in other
2 states when it's very difficult for folks to find
3 places to live. So developers recognize that.

4 So we've looked at the notion of maybe
5 creating a hierarchy of sponsorships. And I do
6 think that we would be looking at, whether it's on
7 the home page or before you click to go to your
8 county or something, a page that would have a list
9 of sponsors and maybe the ones that pay more money
10 have a little bit bigger logo. And you could click
11 on their logo. So not the property, but the logo
12 and you could go to their develop site, their home
13 page and if you want to look for a house, you know,
14 a place to live, then fine. So that's kind of how
15 we've been thinking about it. And we are really
16 and truly at the very beginning of our research on
17 this.

18 **MR. HAWTHORNE:** Okay. Thank you.

19 **MR. CHAIR:** Wellington.

20 **MR. MEFFERT:** Just to clarify the motion and
21 the recommendation is only to enter into contract
22 negotiations and into contract with Socialserve on
23 a single source basis and not for any internet
24 advertising or sponsorship.

25 **MS. MULLER:** Thank you.

1 **MR. CHAIR:** Len.

2 **MR. TYLKA:** Yeah, while we're on the subject,
3 one of the things you might consider there, Nancy,
4 is you've got ancillary services that might play a
5 part, you know. U-Haul, renter trucking, services
6 that, you know, help move people in terms of
7 disaster relief, companies that might be doing some
8 of that stuff. Those may be even a better avenue
9 in terms of that support system that you're looking
10 at.

11 **MS. MULLER:** Thank you.

12 **MR. CHAIR:** Any further comments?

13 All those in favor.

14 (Members reply aye.)

15 **MR. CHAIR:** Opposed?

16 (No response.)

17 **MR. CHAIR:** Thank you, Nancy.

18 **MS. MULLER:** Thank you.

19 **THE COURT:** Moving on to single family bonds.

20 David.

21 **MR. WESTCOTT:** Thank you, Mr. Chairman. This
22 is a request for permission to amend the existing
23 memorandum of understanding with Florida's local
24 housing finance agencies to allow the use of up to
25 an additional \$3 million out of the \$35 million

1 that Florida Housing received from the Florida
2 legislature as part of the attorney general's
3 mortgage settlement agreement.

4 So back in March of this year, we came to the
5 Board and you all approved us entering into an MOU
6 with the local HFAs allowing them to utilize up to
7 \$5 million of these funds. To date, you know, as
8 of today, we will have disbursed a little lower
9 than \$4 million already out of that 5 million in
10 the MOU. So thus the necessity to come today as a
11 supplement. We weren't sure that the, you know,
12 900,000 or so that was remaining would actually
13 last until the end of January, when we have the
14 next meeting. But the local programs have been
15 going well. Florida Housing's programs have been
16 going well. We've been -- we've committed a little
17 over \$14 million out of these funds to date to help
18 homeowners get in their first homes. So we're very
19 happy with the way the program is proceeding, and
20 are here today to ask your permission to go in and
21 amend the memorandum of understanding that we have
22 with the local HFAs who are participating in this
23 sharing agreement to increase it by \$3 million.

24 And then, Mr. Chairman, we also have here
25 today with us W.D. Morris who's not only the

1 executive director of the Orange County HFA, but
2 also currently serves as the president of the
3 Florida Association of Local Housing Finance
4 Agencies. And I think W.D. would like to come and
5 speak in favor of the item.

6 **MR. CHAIR:** Please. I don't see you. Here
7 you come. Come on down.

8 **MR. MORRIS:** Good morning, Mr. Chairman and
9 Board members. It is true that we're here today to
10 express our appreciation and -- for entering into
11 this relationship with Florida Housing Finance
12 Corporation in March. First, the official
13 relationship, it's worked out very well for Florida
14 Housing and for the locals. So as the president of
15 Florida ALHFA, I come today to express the
16 association's appreciation for that partnership and
17 we look forward to many, many more relationships in
18 this area. It has worked very well for both
19 Florida Housing, locals, and most of all, it has
20 benefited the end users. And those are the
21 first-time home buyers that receive assistance in
22 down payment assistance to give them the 30-year
23 fixed rate, very conservative mortgages that we
24 enter into. Here, again, we just want to express
25 our appreciation to the Board and staff. Staff has

1 worked very good with us. We have a very good
2 relationship and we appreciate that very much.

3 Any questions I can answer, I'd be more than
4 happy to, sir.

5 **MR. CHAIR:** Thank you, Mr. Morris.

6 **MR. MORRIS:** Thank you for having us.

7 **MR. TYLKA:** Move approval.

8 **MR. HAWTHORNE:** Second.

9 **MR. WESTCOTT:** Okay. So, yes, thank you,
10 Mr. Chairman. And with that, the recommendation is
11 that the Board approve the request to allow Florida
12 Housing to enter into an amendment to the
13 memorandum of understanding with the local housing
14 finance agencies allowing them to utilize up to an
15 additional \$3 million out of the 35 million
16 received by Florida Housing as part of the attorney
17 general's mortgage settlement agreement for use as
18 down payment assistance in conjunction with their
19 respective first-time home buyer programs in the
20 same manner that it is being used by Florida
21 Housing.

22 **MR. TYLKA:** Again, move approval.

23 **MR. HAWTHORNE:** Second.

24 **MR. CHAIR:** Second, second.

25 Okay. I have one question. So after this,

1 assuming this were to be approved, how much money
2 will be left of the 35 million?

3 **MR. WESTCOTT:** Well, let's see. Right now,
4 you know we've used 14, they've used about four.
5 So that's 18.

6 **MR. CHAIR:** No, of the -- there was five that
7 was approved previously and four has been used. So
8 of the total.

9 **MR. AUGER:** So that's what David was just
10 saying.

11 **MR. CHAIR:** I'm sorry.

12 **MR. AUGER:** So they've used over four, almost
13 five. We've used over 14. So at this point,
14 we're, you know, almost 19 million that's been used
15 of that 35.

16 **MR. WESTCOTT:** So there would be roughly
17 16 million left. Three would then go to the locals
18 for their continued use and we'd have an additional
19 13 to utilize. We told the legislature that we
20 thought we could use these funds in 18 months, and
21 we're on track to do a little bit better than that.

22 **MR. CHAIR:** Okay. So we'll talk about the
23 additional funds later.

24 **MR. WESTCOTT:** Yes, sir. I don't know that
25 we'll need to. At this point, if we allow this

1 additional three, I imagine Florida Housing's
2 program will utilize the additional 13, and then
3 we'll be done with the entire \$35 million.

4 **MR. AUGER:** And we'll sort of keep track of
5 how things are going to make sure that, you know,
6 it's being utilized.

7 **MR. CHAIR:** Okay. All right. We have a
8 motion that's been seconded. Any further
9 discussion? No.

10 All those in favor.

11 (Members reply aye.)

12 **MR. CHAIR:** Opposed.

13 (No response.)

14 **MR. CHAIR:** Very good. Thank you, David.

15 Moving on to the consent agenda. There was
16 one item that was added after the consent agenda in
17 your Board book, correct, Steve?

18 **MR. AUGER:** No, all the items went out with
19 the Board books. There was one that was stuffed in
20 there as an insert, but they were all in the Board
21 books. Gave you an update of the agenda. The
22 agenda in the Board book left off the last three
23 special asset consent items that were in the Board
24 book. So it's all the stuff that you had in the
25 Board book with just, you know, the updated agenda

1 that I sent out.

2 **THE COURT:** So the updated agenda includes on
3 page two, items Roman number 8, G, H and I; is that
4 correct?

5 **MR. AUGER:** Correct. That were in the Board
6 book and that you had, but it had just been left
7 off the agenda that was in the Board book.

8 **THE COURT:** So we're all working off the same
9 consent agenda here.

10 **MR. AUGER:** Correct.

11 **MR. CHAIR:** Would anyone care to entertain a
12 motion?

13 **MR. HAWTHORNE:** Move to approve.

14 **MR. TYLKA:** Second.

15 **MR. CHAIR:** Okay. All those in favor.

16 (Members reply aye.)

17 **MR. CHAIR:** Excellent. That gets us to --
18 sorry, there is a lot of papers. That gets us to
19 the strategic planning retreat. We are planning a
20 Board retreat and a strategic planning session on
21 January 30th in St. Augustine before our January 31
22 Board meeting the next day. The strategic planning
23 discussion may spill over to Friday morning as
24 well. We last had a Board retreat and an
25 orientation discussion down in Miami, but it's been

1 a couple years ago. And we thought that it might
2 be a good time to get the Board together
3 considering the new Board members that we have.
4 The last strategic plan was created in 2009. So
5 it's time for us to take a fresh look at that plan.

6 We are planning -- the retreat will include
7 quite a bit of discussion, including some
8 educational topics such as our mission, our key
9 programs, our background and history, a review of
10 our annual report and financial statements, brief
11 history of the universal cycle application process,
12 and how we got to our current request for
13 application system and also the need for affordable
14 housing. More importantly, I'd like to spend some
15 time discussing what our funding priorities have
16 been in recent years, what our funding priorities
17 should be going forward relative to the need here
18 in the State of Florida, what performance measures
19 we need to establish to measure our successes, how
20 we can expedite our funding cycles, and also how we
21 as a Board could and should be marketing our
22 programs to the Florida legislature. I'd like to
23 establish a road map for Florida Housing that goes
24 beyond just the upcoming year and think that it
25 will be a great discussion.

1 Steve, you want to chime in here?

2 **MR. AUGER:** I think that would be great. And
3 some of that -- we'll try to be strategic in coming
4 up with an agenda for that Thursday afternoon, you
5 know, depending on how much time that we get with
6 y'all. There may be some of the stuff we can give
7 brief overviews on some of that stuff. There may
8 be some things as we're going through the process
9 in the next few Board meetings, we want to do some
10 more in-depth education about, you know, if y'all
11 feel the need for that on any particular subject.

12 But one of the things that we did, y'all have
13 in front of you a document that is program policy
14 and financial objectives, which is kind of a
15 summary of programs and then some of our goals.
16 Actually we put this together as a result of some
17 questions that Brian asked and, you know, after
18 looking at that and having some discussion with
19 that, we thought that might be useful for the rest
20 of you. And just something to think about as we
21 get moved towards that workshop. So I'll kind of
22 reach out to all of you and see if there's anything
23 kind of in particular that you feel like you need
24 or you're looking for out of -- after you've had a
25 chance to mull it over, out of that -- what kind of

1 information you might need to be able to start off
2 these discussions. And then we'll get into it.

3 One of the things that OPPAGA recommended and
4 that we've been talking about with the folks from
5 DEO and there's been an important governor's
6 initiative is looking at performance measures. And
7 that's something that the old contract that we had
8 in place with the Department of Community Affairs
9 from when we first split off has some outcomes.
10 But if you want to be able to look and see if
11 Florida Housing, you know, doing a good job, doing
12 what it ought to do, you know, those don't tell the
13 full story. And when OPPAGA did their audit last
14 year or their review of us they said, gee whiz,
15 Florida Housing, you guys give a lot of great
16 information to your Board, you give it to the
17 legislature, you know, can you put that together in
18 some way that, you know, that we can -- that that
19 can be more comprehensive performance measures.
20 So, you know, on of the goals of, you know, getting
21 through the strategic planning would then be build
22 in some performance measures off of that as we've
23 been talking with the folks at DEO. You know,
24 we'll be working on giving them some interim
25 performance measures, giving them a little more

1 information than we have historically in that
2 quarterly -- as required by that old contract. But
3 that's sort of one of the places we want to wind
4 up, Barney, I think in addition to kind of like you
5 said the road map for the next few years of what
6 Florida Housing ought to be prioritizing.

7 **MR. CHAIR:** Thank you, Steve.

8 Yes, Len.

9 **MR. TYLKA:** One of the things, Steve and
10 Barney, you might want to look at, as market rate
11 housing comes back to life again after the past six
12 years, one of the things we're going to start
13 seeing is that upward pressure on work force
14 housing and that middle income range more than
15 we've seen in the past. We've enjoyed kind of
16 avoiding that question for the past five or six
17 years. However, I see, I guess my crystal ball,
18 I'm concerned about us going forward and not having
19 the funding availability in terms of being able to
20 hit a broader base of folks than we've been in more
21 very recent days. Because we really didn't need to
22 have -- didn't have to have that money. But as we
23 go forward, I think it's very important that we
24 make our strategic plan as public as we possibly
25 can and make the legislature and the public

1 understand what we're trying to accomplish here.
2 And in that process, be able to relay that into
3 better funding so that we can add these other
4 programs that we're going to have the demand on us
5 to do.

6 **MR. CHAIR:** Right.

7 **MR. TYLKA:** So that may be something -- a
8 topic to cover during the course of the strategic
9 plan.

10 **MR. CHAIR:** Great. Yes, John.

11 **MR. HAWTHORNE:** Just a question, is this an
12 open or a closed process?

13 **MR. CHAIR:** Open. Of course, the more the
14 merrier.

15 **MR. HAWTHORNE:** Would there be a facilitator
16 or we'll just do it internally?

17 **MR. AUGER:** Thus far we've been thinking that
18 we would do it internally. Especially for this
19 first meeting. But as we're moving forward if we
20 decide, you know, if we get some context laid, if
21 y'all decide you want to do that -- we have done it
22 in the past. We have done it both ways in the
23 past.

24 **MR. CHAIR:** Okay. A couple things that are
25 not on the agenda that I wanted to squeeze in

1 there: Brian's audit committee, we have a few
2 gracious volunteers who would like to join Brian on
3 that committee, Len, Natacha and Bill. Thank you
4 for your future service. Just because you're not
5 on the committee doesn't mean you can't come.
6 You're always welcome. And I wanted to thank Scott
7 Culp, I saw you earlier, there you are. Wanted to
8 thank Scott and Jay Brock for opening up their
9 community, the Fountains at Pershing Park yesterday
10 evening. Thank you. It was beautiful. We enjoyed
11 it.

12 And that gets us, I believe, to public
13 comment.

14 Yes, sir. Mr. Wilson.

15 **MR. WILSON:** Thank you, Mr. Chair. Sean
16 Wilson, Blue Sky Communities. Among the actions
17 that you took today was to allocate about
18 \$207 million of scarce federal resources, tax
19 credits, that's the cash resource. It's the most
20 lucrative multifamily program that you all decide
21 on. And it's federal dollars. Now coming into the
22 meeting, looked like about 118 of those \$207
23 million were going to go to two developers. Now
24 that may changed because I heard that somebody did
25 a withdrawal, so it's about half of that money is

1 going to two developers. In the two cycles that
2 you all decided today, there was about 30
3 developers that applied. And the reason that it's
4 imbalanced is not because somebody is a better
5 developer or somebody is a more efficient user of
6 federal resources; it's substantially as a result
7 of the volume of applications that different
8 developers have the capacity to submit or decide to
9 submit.

10 And to further illustrate that, I would say
11 that -- and I've been participating in these
12 programs for many, many years. And the number of
13 total applications to winning applications or the
14 ratio has been ticking up. And now it's about
15 eight to one. It was four to one, then five to
16 one, six to one. So now it's about eight to one.
17 And on the large southeast, it's probably 20 to
18 one, something like that. So, you know, it seems
19 to me that a lot of us developers, that this Board
20 ought to strive to maintain a level playing field
21 when you're allocating scarce federal resources.
22 And you took a big step towards doing that in the
23 2009 cycle. You instituted a limitation on the
24 number of applications that any one developer could
25 submit in the cycle.

1 That cycle, 65 developers submitted
2 applications. More than 95 percent of them
3 unquestionably followed the limit. There were
4 questions about a few of them. Those questions
5 were ultimately decided by a DOAH judge in a manner
6 not favorable to Florida Housing. And that's very
7 unfortunate, but it doesn't negate the fact that 95
8 percent of us followed that limitation without
9 question. And I can say that confidently.

10 Somebody told me last night that 40 other
11 states have different versions of limitations on
12 the number of applications. I'm guessing that it's
13 for the same reason, to make sure that there's a
14 level playing field. And this is nothing new. I'm
15 on record in writing and in meetings and in private
16 discussions with Steve. And so I wanted to take
17 this opportunity illustrated by the results of
18 these last two cycles that continue to demonstrate
19 an imbalance. I wanted to take this opportunity to
20 go on record in front of the Board to say that
21 there's a large group of us that hope that there's
22 a way to revisit that limitation. Thank you,
23 Mr. Chair.

24 **MR. CHAIR:** Thank you, Sean.

25 Steve?

1 I'm sorry, we have another -- actually looks
2 like a few speakers coming forward.

3 **MS. FARMER:** Hi. My name is Betsy Farmer.
4 I'm with Promise in Brevard, number three ranking
5 large DD project. And I have some of my promisers
6 with me. This is my son, Luke, who is cofounder.
7 And we have Bradly and Garrison and Bradly's mom,
8 Jeannette. And I just want to say a couple things.
9 First of all, I just wanted to thank you so much
10 for the opportunity. It's so cool that the State
11 of Florida is now leading the nation in funding for
12 people with developmental disabilities. I don't
13 know if you realize that we're the only state in
14 the country that's done this like this. And kudos
15 to you guys, really.

16 And I want to just really thank the staff.
17 You guys did a great job wrapping your head around
18 our population. I know that there's a lot to
19 learn. This is a new population for you. And our
20 population is very complex and there's a lot of
21 needs there. But the staff, you guys don't even
22 know, they did a really, really good job
23 understanding our population and our needs. And
24 the RFA, the way it came out is exactly the way it
25 was supposed to. I don't -- I mean, Jim and Jack

1 are awesome. We've been the three amigos for
2 years. And it's exactly the way it should be. So
3 I know there are a lot of hard decisions that had
4 to be made and I just want you to know I appreciate
5 everything you did.

6 But I also want you to understand that Promise
7 is really important to a lot of people. We have
8 240 people that have taken our survey and that are
9 on our interested party list. We can serve about
10 115 because we're going to have about 16 college
11 students from Florida Tech University living there
12 as housing assistants. I have about 90 families
13 that have been working side by side with me for
14 many years to make this happen. So, I'm meeting
15 with them tomorrow to let them know, but I just
16 wanted to talk to you a little bit about just how
17 important these projects are to our population.
18 And who really hasn't been served.

19 And I want to tell you a little bit about the
20 project that didn't get funded. Promise is unique.
21 A little bit different than the other two projects
22 in that our project revolves around employment.
23 Only 26 percent of our future residents are
24 working. And Promise was going to have -- we will
25 have eight different micro enterprises. We're

1 going to hire our young adults to work. And
2 they're going to make at least minimum wage if not
3 better. We want them to be productive, taxpaying
4 citizens. And we started our first micro
5 enterprise, which is Promise Treasures thrift shop,
6 in October. We made 12,000 our first month and
7 16,000 our second month. We are hiring our
8 residents to work there.

9 The community has come in and they're
10 volunteering, they're coming alongside our
11 residents and they're helping them to be
12 productive, taxpaying citizens. We literally have
13 thousands of supporters in our community that have
14 helped raise our kids. I started the early
15 intervention center for Luke when he was a baby.
16 So they've raised our kids. So we have a lot of
17 community support. The city of west Melbourne, the
18 county, and our legislators are all behind us 110
19 percent. And our housing authority. And I just, I
20 hope and I don't know whether beg is probably not a
21 good word, but ask, request that you look and see
22 if there's any way that you could find funding for
23 us. Because it's really important, what we're
24 doing. I personally feel the employment piece is
25 incredibly important. Our kids need a purpose.

1 So housing, employment and the support
2 services all have to be part of those DD
3 developments. And I just, again, want to thank you
4 guys for what you did. It's amazing. You should
5 be really, really proud. And just ask you if
6 there's anything we can do to work together to kind
7 of make this thing happen sooner than later because
8 I've got one family especially, they're both in
9 their 80s and they have cancer and they're really
10 upset because they don't know where their
11 daughter's going to live. This is the first
12 generation of people with disability that are going
13 to outlive their parents. And that's why these
14 things are so important. So thank you again very
15 much.

16 **MR. AUGER:** Mr. Chair, if I may, just really
17 appreciate the folks we've been working with,
18 including Betsy and her passion for this. And
19 remember that in this past session, the law changed
20 so that we've got that now in law, that 5 percent
21 of our low-income housing tax credits will be set
22 aside for folks with a disabling condition. And
23 you know, the folks that were instrumental in the
24 legislature in providing us the grant funding to
25 work with the tax credits to do the developments

1 that we're doing in this RFA that was approved
2 today are all hoping to and have told me they
3 intend to, you know, do more of that grant funding.
4 So we anticipate, you know, that there will be more
5 of these resources and we'll be able to do another
6 round of this sort of stuff.

7 **MR. CHAIR:** Awesome. Welcome.

8 **MR. KEAN:** Good morning, Mr. Chairman. Good
9 morning, Board. Good morning, Mr. Auger. My name
10 is Breck Kean and I am vice-president with
11 Prestwick Development. And we partnered with the
12 Okaloosa Community Development Corporation on
13 application number 2014-011C, which is the Palm
14 Village Apartments in Ft. Walton Beach. The Palm
15 Village application requested only \$420,000 of
16 housing tax credit allocation and drew lottery
17 number one in RFA 2013-001. The Palm Village
18 application was deemed ineligible during staff
19 review due to a construction financing shortfall.
20 And I just want to go on record with you that we
21 feel very strongly that the staff's methodology of
22 calculating the required sources and uses up to
23 certificate of occupancy is incorrect.

24 And if I may, here's the problem. Staff's
25 methodology of calculating costs during

1 construction through CO includes over 90 percent of
2 costs that were expended after CO. That is 100
3 percent incorrect. Examples of costs that are
4 expended after CO but included in Florida Housing's
5 methodology during the CO or before CO include
6 construction retainage payments, construction loan
7 interests from certificate of occupancy through
8 lease up and stabilization, all certification
9 expenses, Florida Housing Finance Corporation
10 compliance fees, required reserves, perm loan
11 conversion costs. So Florida Housing in their
12 application review include sources up to CO, then
13 they can only include costs up to CO.

14 The particular piece of documentation in our
15 application in question was our equity letter of
16 intent from SunTrust Community Capital Corporation,
17 a very active housing tax credit investor.
18 Prestwick has closed multiple partnerships with
19 SunTrust and we are very familiar with their equity
20 pay in requirements and they're very familiar with
21 our financial model and draw schedule. The draw
22 schedule for Palm Village clearly shows that the
23 development is fully funded during construction
24 based on the payment schedule and the SunTrust
25 letter of intent.

1 So, Mr. Chairman, members of the Board,
2 Mr. Auger, the staff's interpretation of sources
3 and uses through CO is incorrect and the
4 determination of ineligibility is wrong. The Palm
5 Village application with lottery ball number one
6 should not be thrown out for a financing shortfall
7 and we can and will prove this correct. I ask you
8 to instruct staff to review our real world draw
9 schedule and to confirm our math is correct showing
10 the accurate flow of funds during construction.
11 And upon this confirmation, Palm Village,
12 application number 2014-011C should be reinstated
13 as an eligible application and recommended for
14 funding based upon its lottery number one. Thank
15 you for your time and consideration. I'll be happy
16 to answer any questions.

17 **MR. CHAIR:** Thank you, Mr. Kean.

18 **MR. KEAN:** Thank you.

19 **MR. CHAIR:** Good morning.

20 **MR. KOSIK:** Good morning. My name is Jack
21 Kosik. I'm the executive director of Noah's Ark of
22 Central Florida. And we were one of the applicants
23 that were fortunate enough to be able to get
24 funding, and I would be remiss if I didn't come up
25 here and thank the staff. I didn't have an

1 appreciation of just how difficult their job is and
2 how deeply they looked at trying to understand
3 individuals with developmental disabilities, the
4 uniqueness of the needs and how the support
5 services ought to wrap around the housing. We went
6 to the scoring things and I need to tell you, you
7 guys did a fabulous job. I would never want to
8 work in your job. They did a great job. And if
9 they didn't get a Christmas bonus, they need to.

10 I'd also like to echo Betsy's plea. We work
11 as a coalition. And I got a call from one of the
12 legislators after the funding was announced or the
13 recommendation was announced saying, please
14 continue to work with us. We want to provide more
15 funds. You're the only group that aren't cutting
16 each other's throats to try and get money. Because
17 we work together hand in glove moving this
18 initiative and this need forward. Cutting edge for
19 the State of Florida, cutting edge for the nation.
20 And I would encourage you -- and we will commit,
21 our coalition will commit to continuing to try and
22 get more funding, more than we've gotten so far.
23 But thank you. And if there's any way that you
24 guys can scrounge up some of the leftover stuff
25 that just hasn't been committed and find a way to

1 fund Promise, it's a great, great project. Thank
2 you and Merry Christmas to you.

3 **MR. WHITTAKER:** Hi. Good morning. I'm Jim
4 Whittaker and I'm with the Ark of Jacksonville.
5 And I was one of the lucky projects that was
6 funded. And I'm here to support Betsy's request
7 and also to echo what Jack and Betsy have already
8 said. The staff have been incredible. Really
9 wrapping their heads around the needs of DD people.
10 It was a challenge. And it was all done very
11 fairly and objectively and I just -- they've done
12 an outstanding job. So you got a great staff.

13 Also kudos to you to recognize that housing
14 for people with DD, it just really doesn't exist in
15 quality forms, especially rental housing in the
16 community. And people with DD have very special
17 needs. They are, as far as an income class, their
18 income is very low. And quality housing is so, so
19 important. And I think as Betsy also said, many,
20 many of our family members are aging. And if you
21 are a family member, you can appreciate their
22 desire to make sure that their son or daughter is
23 going to have a quality place to live when they're
24 no longer here to see to their needs.

25 Also want to say to our legislators, it really

1 was the year for DD as far as housing goes. The
2 legislators also recognized that housing was a
3 major issue and they appropriated the \$10 million
4 in DD grant which was coupled with the tax credits.
5 So the combination is incredible and you have put
6 Florida on the map. And we have also been
7 approached by other states and communities, of
8 course, in Florida asking us how they can do it.
9 So Florida is going to lead the way. And again, if
10 there's any possibility to find additional funding
11 for the Promise project, that would be a great
12 Christmas present. Thank you.

13 **MR. HARTMAN:** Good morning, Mr. Chairman,
14 members of the board. My name is Michael Hartman
15 and I'm here this morning with my hat as the
16 chairman of the Board of the Brevard County Housing
17 authority. We did something for Betsy's project
18 that we haven't done in years: We gave them
19 project-based rental assistance. They have enough
20 vouchers for every unit in their project. So in
21 terms of ongoing operations, they're funded. I can
22 tell you the county has done a lot for that
23 project. The city has done a lot. It has taken
24 her years to get everybody behind it. So, you
25 know, I know I'm cutting my own throat because the

1 housing authority, I know you've got a million
2 seven left that you're going to put out to fund a
3 housing authority deal, but if there's any way we
4 could redirect those funds to the Promise deal, I
5 think that would be a good use of the money. So
6 thank you very much.

7 **MR. CHAIR:** Thank you.

8 **MR. GRAIL:** Good morning. My name is Kevin
9 Grail of Grail Management Group. And I wanted to
10 say that I was really interested, and I thought
11 that the discussion about the upcoming retreat was
12 really interesting to me, and the topics that were
13 going to be discussed and the planning that's going
14 to happen going forward. I was wondering what
15 materials would be available to the public? I'm
16 sure at that retreat, there will be handouts and
17 there will be discussions of history and what's
18 going forward. And I'd be really interested in
19 having access to some of that and knowing how we as
20 the public could therefore participate. Thank you.

21 **MR. CHAIR:** Thank you.

22 **MR. AUGER:** Thank you. Mr. Chair, if I may,
23 in the past, we have as we've begun the strategic
24 planning process, have issued a letter soliciting
25 comments and all the comments we got, you know,

1 from soliciting comments from the stakeholders and
2 the public about what are the things that Florida
3 Housing ought to be thinking about in the next few
4 years, priorities and -- or context or anything
5 that they think we ought to be -- that you all
6 ought to be considering. And we -- as those
7 letters came in, we posted them on the website so
8 everybody could see them. Any of the information
9 that we were providing to the Board as we're going
10 through the public workshops or the meetings, we
11 posted all that stuff up there, too. As we began
12 to develop drafts, you know, we posted those up
13 there, too. So we'll, again, set up a section on
14 our website as we get into this where we have an
15 opportunity for folks to, you know -- where we can
16 put up any public comments and post any information
17 that we provide to you all. And as we get into
18 drafting, any drafts of the documents.

19 **MR. CHAIR:** Okay. Great.

20 Yes, ma'am. Welcome.

21 **MS. JOHNSON:** Good morning. My name is Lisa
22 Johnson and I just want to take advantage of just
23 having a few minutes to say something to the Board.
24 Thank you for this opportunity. When I think
25 forward of what's going to happen with knowing the

1 challenges that are going to be coming and then I
2 think forward to the day that they're going to come
3 before you with a hearing officer's recommendation,
4 and I think it's so valuable with your workshop
5 coming up. Because I'm assuming that's going to be
6 well after the January Board meeting.

7 And when you think about the issues that maybe
8 do surround scoring, the debt and equity
9 commitments and the things that Florida Housing
10 requires and, you know, they do check the box is
11 this there, is that there and things of that
12 nature. And you do -- I mean, when you look back
13 and you look at the scoring of all the applications
14 and you see something that you know, maybe the box
15 was checked but it's not what reality is. Like if,
16 for instance, a developer were to say I'm going to
17 draw 90 percent of my equity at my construction
18 closing, that is not reality, but yet he passed.
19 And then you've got -- so I just want you to
20 remember when these challenges come before you and
21 maybe it will be -- maybe through these workshops
22 and the thing this Board is going to address and
23 Steve making the comment that, you know, you don't
24 want -- you want the expedited scoring and the last
25 thing you want are these challenges, maybe the

1 addressing of really how valuable are these.
2 Because the true underwriting is where these
3 letters are going to be truly and the numbers
4 truly -- just things like that that I'm thinking.

5 And then I thought about Sean Wilson made a
6 point that is valid. I mean, it's very valid. And
7 you've got -- years ago where the staff wanted to
8 eliminate completely shell applications. And the
9 scoring process eliminated that. But yet this
10 year, we saw apps that went in that didn't even
11 have local government support. So they knew they
12 would fall to the bottom because they didn't have
13 their 27 points. It's just crazy to me when you
14 think about you as the Board and how you want our
15 state to be deemed as, you know, bar none. And
16 it's just -- just want to take that opportunity to
17 just throw up all over you. Merry Christmas.

18 And I want to say that when I see those young
19 men and that mother and those other gentlemen come
20 up here, we can never forget why we do this. And
21 it's not for our pockets; it is for the people who
22 truly need this housing.

23 **MR. CHAIR:** Thank you. Steve, anything
24 further?

25 **MR. AUGER:** That was -- just the only -- the

1 last thing I would have is just sort of an update
2 on the timelines for all the RFAs. So we brought
3 five of them to you at this Board meeting. At the
4 next Board meeting, we'll have the staff southeast
5 large. We'll have the HOME. We are reissuing --
6 you know, we'll reissue fairly quickly the two pots
7 of grant funding where we have a little bit left
8 over. We'll get those out so that we can get those
9 to you by either January or March. I believe that
10 depending on what we find out about sort of the
11 timing on some of those, if folks need more time,
12 especially on that small developmentally disabled
13 RFA, that one may come to you in April.

14 You know, we're still on track with the SAIL
15 coming to you in March. And the preservation one
16 that we had gone out with, specifications got
17 challenged around the senior center list that we
18 had, that we had utilized, which was done by
19 another agency. It wasn't designed to withstand
20 the sort of scrutiny that it might get from our
21 process and the legal focus around that. So we'll
22 revamp the scoring on that and get that one
23 reissued fairly quickly. And then sort of as --
24 we'll prioritize getting the state funding scored,
25 so that preservation RFA, the results of it may not

1 be brought to the Board until April versus March.
2 But we'll get it reissued, you know, in the coming
3 weeks so that folks can see the scoring and get
4 that out there.

5 So we're continuing. We approved, I think
6 today, 220 million in tax credits and almost 60 and
7 a half in grant funding, so we're getting the
8 resources out there and we'll continue to get the
9 rest of them out there, you know, through the --
10 really the first quarter of next year.

11 **MR. CHAIR:** Very good. I think it's time to
12 adjourn this meeting. It is 10:18 a.m. Thank you.
13 We'll see you in St. Augustine.

14 **MR. TYLKA:** Move to adjourn.

15 **MR. HAWTHORNE:** Seconded.

16 (Meeting adjourned at 10:18 a.m.)

17 * * *

CERTIFICATE OF REPORTER

STATE OF FLORIDA:

COUNTY OF LEON:

I, TRACY L. BROWN, court reporter and Notary Public do hereby certify that the foregoing proceedings were taken before me at the time and place therein designated, and that the foregoing pages numbered 1 through are a true and correct record of the aforesaid proceedings.

I further certify that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the foregoing action.

DATED THIS day of , 2013.

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