

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
June 16, 2017**

TIME: 8:30 a.m.

LOCATION: Hyatt Regency Orlando Airport
9300 Jeff Fuqua Blvd.
Orlando Florida

BOARD MEMBERS PRESENT:

Barney Smith, Chairman
Ray Dubuque, Vice Chairman
Natacha Munilla Bastian
Julie Dennis
John Hawthorne
Ron Lieberman

CORPORATION STAFF PRESENTING:

Ken Reecy
Hugh Brown
Trey Price
David Westcott

OTHERS PRESENTING:

Rhonda Pearlman, Kinneret Apartments
Francisco Rojo, Landmark Development Corporation
Bob Courtney, Boston Financial
Laurel Robinson, West Palm Beach Housing Authority
Shawn Wilson, Blue Sky Communities
Betsy Farmer, Promise in Brevard
Kevin Kolka, Progressive Pediatric Foundation

Chairman Smith called the meeting to order at 8:30 a.m.

MINUTES

Item A, Approval of Minutes of the May 5, 2017, Board Meeting. Chairman Smith asked for a motion to approve the Minutes of the May 5, 2017, Board Meeting.

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

PUBLIC COMMENT

Rhonda Pearlman, representing the Kinneret Apartments, spoke in opposition to the de-obligation of the Multifamily Energy Retrofit Program funds.

AUDIT COMMITTEE UPDATE

Natacha Bastian stated that Ernst & Young presented the audited 2016 financial statements to the Audit Committee at a meeting on June 15, 2017, and asked the Board to accept the audited financial statements.

Motion to approve the financial statements as presented was made by Mr. Hawthorne with a second by Mr. Lieberman. Motion passed unanimously.

FISCAL

Item A, Fiscal Year 2017/2018 State Housing Trust Fund Allocation. Barb Goltz asked the Board to approve the staff recommendation for allocating 2017 legislative appropriations as follows: HAP Program - \$8.085 million and Florida Housing Data Clearinghouse - up to \$315,000. She also asked that any funds not used for the Data Clearinghouse be used in the HAP Program.

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

COMMUNICATIONS UPDATE

Cecka Green updated the Board on Florida Housing's newly launched revamped website and made a video presentation of some of the highlights.

MULTIFAMILY PROGRAMS

Item A, Multifamily Energy Retrofit Program Pilot (MERP). Ken Reecy asked the Board to approve the staff's recommendation to de-obligate the preliminary awards from the Multifamily Energy Retrofit Program Pilot, terminate the MERP program and return the remaining funds and program interest, minus any final expenses, to the Office of Energy.

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

Item B, Request for Applications (RFA) 2017-105, HOME Financing to be used for Rental Developments Located in Rural Areas. Ken Reecy asked the Board to approve the recommendation of the review committee for RFA 2017-105, HOME Financing to be used for Rental Developments Located in Rural Areas, and adopt the scoring results and authorize the tentative selection of the three applications set forth in Exhibit F for funding. He stated that the remaining unallocated balance of \$2.9 million may be distributed as approved by the Board. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statutes, staff will issue a letter of preliminary award to the applications set forth in Exhibit F. He stated that if a notice of protest or formal written protest is filed in accordance with Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to invitation to credit underwriting.

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

Item C, Request for Applications (RFA) 2017-103, Housing Credit and SAIL Financing for Homeless Persons and Persons with Disabling Conditions. Ken Reecy asked the Board to approve the recommendation of the review committee for RFA 2017-103, Housing Credit and SAIL Financing for Homeless Persons and Persons with Disabling Conditions, and adopt the scoring results and authorize the tentative selection of the three applications set forth in Exhibit D for funding. He stated that the remaining unallocated balance may be distributed as approved by the Board. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statutes, staff will issue a letter of preliminary award to the applications set forth in Exhibit D. He stated that if a notice of protest or formal written protest is filed in accordance with Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to invitation to credit underwriting.

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

Item D, Request for Applications (RFA) 2017-101, Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. Ken Reecy asked the Board to approve the recommendation of the review committee for RFA 2017-101, Financing to Build or Rehabilitate Smaller Permanent Supportive Housing for Persons with Developmental Disabilities, and adopt the scoring results and authorize the tentative selection of the ten applications set forth in Exhibit B for funding. He stated that the remaining unallocated balance of \$1.9 million may be distributed as approved by the Board. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statutes, staff will issue a letter of preliminary award to the applications set forth in Exhibit B. He stated that if a notice of protest or formal written protest is filed in accordance with Florida Statutes, then at the completion of all litigation, staff will present all recommended orders for Board approval prior to invitation to credit underwriting.

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

Item E, 2017-2018 Tentative Funding Amounts and Time Lines for Requests for Applications (RFAs) for Multifamily Developments. Ken Reecy told the Board that staff held a workshop on Thursday, June 15, but did not get through the entire agenda. He stated that the timeline includes a number of issues embedded in it and staff would like more input from the development community and the stakeholders on the issues discussed at the workshop, as well as issues not discussed at the workshop, so he stated that Item E regarding the timeline would be deferred to the next meeting in order to allow time for stakeholders to submit comments. Chairman Smith encouraged everyone to submit written comments to staff and asked staff to provide periodic updates to the Board when comments are received.

John Hawthorne asked how long the delay in approving the timeline would delay the process to get the funds out. Mr. Reecy stated that if the Board gave permission to initiate the SAIL workshops as originally planned for August 1 and 2 to offer \$130 million in SAIL to be used for workforce and family/elderly, staff can keep things moving on the two SAIL RFAs as planned and resources can be allocated before the Legislature reconvenes in January.

Motion to defer the timeline until the July 28, 2017, Board Meeting was made by Mr. Dubuque with a second by Ms. Bastian. Motion passed unanimously.

Item F, Request Approval to Reserve Corporation Funds for Development Viability Request for Applications. Ken Reecy asked the Board to approve a reservation of \$20 million in Corporation funding for use in a competitive gap funding loan program and to authorize staff to develop and workshop criteria for the development viability loan funding RFA.

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

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Competitive Solicitation for Capital Needs Assessment (CNA) Provider Pool. Ken Reecy asked the Board to authorize staff to begin the competitive solicitation process and establish a review committee to make recommendations to the Board for firms to participate in the pool of Florida Housing's approved CNA providers, with the ability to reissue the solicitation as needed to maintain a sufficient number of CNA providers in the pool.

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

CONSENT AGENDA

Chairman Smith asked for a motion to approve the items on the Consent Agenda with the exception of SAIL Consent Item D, Royal Palm Place, which was pulled for discussion.

Motion to approve the items on the Consent Agenda with the exception of SAIL Item D was made by Mr. Dubuque with a second by Mr. Lieberman. Motion passed unanimously.

SAIL Consent Item D, Request Approval of Waiver Requests and Credit Underwriting Report for Royal Palm Place. Ken Reecy asked the Board to approve staff's recommendation to approve Royal Palm Place's waiver request to reduce the ELI set-aside subject to the loss of federal Section 8 rental assistance. He also asked the Board to approve staff's recommendation to approve the waiver request for timing of the submission of the noncompetitive application and to approve the credit underwriting report and direct staff to proceed with the issuance of a firm commitment.

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

Francisco Rojo, from Landmark Development Corporation, a co-developer of Royal Palm Place with the West Palm Beach Housing Authority, spoke in support of approving the waiver requests and approving the credit underwriting report.

Bob Courtney, from Boston Financial, an investor in Royal Palm Place, also spoke in support of staff's recommendation.

Ray Dubuque asked if staff knew when they would find out if the Section 8 subsidy would be going away. Mr. Reecy stated that historically, it has been appropriated each year, but it is impossible to predict what will happen each year. He stated that this action was being requested in an abundance of caution in the unlikely even the Section 8 funding is lost or reduced.

Motion passed unanimously.

Laurel Robinson, Executive Director of the West Palm Beach Housing Authority, thanked the Board for granting the waiver.

PUBLIC COMMENT

Shawn Wilson, of Blue Sky Communities, stated that he appreciated the involvement of the Board Members at the RFA workshop held on June 15. He encouraged everyone to submit written comments about the RFA process through the Florida Housing website.

Betsy Farmer, of Promise in Brevard, updated the Board on the progress of Promise in Brevard, a Florida Housing-financed development in West Melbourne being built to house 126 young adults with special needs.

Kevin Kolka, of Progressive Pediatric Foundation in Tallahassee, informed the Board that he and his group are striving to create a place in Tallahassee similar to Promise in Brevard, and stated that they look forward to working with Florida Housing to make that happen.

Chairman Smith adjourned the meeting at 10:14 a.m.