

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
October 27, 2017**

TIME: 8:30 a.m.

LOCATION: Tallahassee City Hall Commission Chambers
300 South Adams Street
Tallahassee Florida

BOARD MEMBERS PRESENT:

Barney Smith, Chair
Ray Dubuque, Vice Chair
LaTasha Green-Cobb
Ron Lieberman
Natacha Munilla Bastian
Julie Dennis
Creston Leifried

CORPORATION STAFF PRESENTING:

Trey Price
Hugh Brown
Barb Goltz
Brantley Henderson
Nancy Muller
David Westcott

OTHERS PRESENTING:

Ben Johnson, Seltzer Management
Brian Smith, GHG Construction
Joe Chambers, Gardner Capital
Shawn Wilson, Blue Sky Communities

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

MINUTES

Item A, Approval of Minutes of the September 22, 2017, Board Meeting. Chairman Smith asked for a motion to approve the Minutes of the September 22, 2017, Board Meeting.

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

AUDIT COMMITTEE UPDATE

Natacha Bastian informed the Board that the Audit Committee met on September 21, 2017, and discussed the annual risk assessment and the OIG annual audit plan for 2018.

FINANCE

Item A, Proposed 2018 Operating Budget. Barb Goltz presented the 2018 draft Operating Budget to the Board for review before the December 8, 2017, Board Meeting, when it will be presented for approval. She asked the Board Members to contact her with any questions prior to the December meeting.

HOME RENTAL

Item A, Request Approval of HOME Credit Underwriting Report for Willie Downs Villas (2016-321H). David Westcott asked the Board to approve the credit underwriting report for Willie Downs Villas subject to receipt and approval by the credit underwriter of the final site plan or status of the final site plan approval, soils test report, preconstruction plan and cost analysis review, and statements of financial/credit affairs for both Brian Smith and Tom Smith, and direct staff to proceed with issuance of a firm loan commitment and loan closing activities subject to further approvals and verifications by the credit underwriter, special counsel and the appropriate Florida Housing staff.

Mr. Westcott introduced Ben Johnson, of Seltzer Management, the credit underwriter on the deal, who stated that while Seltzer Management had, in the last couple days, received the contingent information set forth in the recommendation, it had not yet been reviewed and verified, so he was not comfortable giving his approval to move forward without further due diligence on his part. He also expressed concerns about ongoing delays in several other projects by the same developer.

Brian Smith, with GHG Construction, briefed the Board on the financial issues Mr. Johnson referenced, as well as the reasons for the delays in getting Willie Downs moving forward.

The Chair asked whether Mr. Westcott wanted to amend staff recommendation. Mr. Westcott asked the Board to grant an extension of the credit underwriting deadline for Willie Downs Villas to the March 2018 Board Meeting in order to allow all issues to be addressed.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Ms. Green-Cobb.

Creston Leifried expressed his concerns about the repeated extensions granted to this project. He asked whether the funds could be deobligated and used for something else. Mr. Westcott stated that it could be used in a timely manner for tenant-based rental assistance to assist in hurricane recovery, but going out with another RFA to fund new developments would take many months.

Ray Dubuque suggested granting the extension until the December meeting instead of the March 2018 meeting. Ben Johnson stated that he believed everything could come together by the December meeting.

Motion to extend the deadline to the March Board Meeting failed unanimously.

Motion to extend the credit underwriting deadline to the December 2017 Board Meeting was made by Mr. Lieberman with a second by Mr. Dubuque. Motion passed by a vote of 7-2 with Chairman Smith and Mr. Leifried casting the dissenting votes.

Item B, Request Approval to Extend the Credit Underwriting Deadline for Highland Grove, a Development Approved under RFA 2016-101. David Westcott asked the Board to approve staff's recommendation to extend the deadline for completion of the credit underwriting report for Highland Grove, until March 31, 2018.

Motion to approve staff's recommendation was made by Ms. Bastian with a second by Ms. Green-Cobb.

Joe Chambers, with Gardner Capital, spoke in support of staff's recommendation.

Ray Dubuque asked Mr. Chambers if they could have everything ready to go by the December Board Meeting. Mr. Chambers countered with the January 2018 Board Meeting.

David Westcott modified staff's recommendation to extend the deadline for completion of the credit underwriting report until the January 2018 Board Meeting.

Ms. Bastian accepted Mr. Westcott's amendment, as did Ms. Green-Cobb with her second. Motion passed unanimously.

MULTIFAMILY PROGRAMS

Item A, Request for Applications (RFA) 2017-106, Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Development Disabilities. Brantley Henderson asked the Board to approve the recommendation of the review committee for RFA 2017-106, financing to rebuild or rehabilitate smaller permanent supportive housing properties for persons with developmental disabilities, and adopt the scoring results and authorize the tentative selection of the 11 applications set forth in Exhibit B for funding. He stated that would leave an unallocated balance of approximately \$2.9 million, and as provided in the RFA, any remaining funding will 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 issuing letters of preliminary award to those applicants within the funding range.

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

Item B, Request Approval to Provide Grant Funding for the Purchase and Installation of Permanent, Standby Generators for Community Residential Homes that Serve Persons with

Intellectual/Developmental Disabilities. Brantley Henderson asked the Board to authorize staff to proceed with offering up to \$3 million in grant funding to provide permanent standby generators to community residential homes serving persons with developmental disabilities that were funded through previously issued Florida Housing RFAs.

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

Item C, Request to Move Financing between Requests for Applications and Approve Additional RFAs in the 2017/2018 Funding Cycle.

Nancy Muller asked the Board to allow RFA 2018-101 to provide financing to finance smaller housing developments to serve homeless persons by moving \$4 million in homeless SAIL funding from RFA 2018-103 to this RFA. She also asked the Board to provide needed financial feasibility in RFA 2018-103 for a development that will serve persons with a disabling condition by doing the following:

1. Include \$4 million of grant funding appropriated by the 2017 legislature to be awarded in concert with 9 percent housing credits if the development selected for funding primarily plans to serve persons with developmental disabilities.
2. Move \$4 million of the special needs SAIL funding currently in RFA 2018-101 to this RFA, i.e. 2018-103, to be awarded in concert with 9 percent housing credits if the development selected for the disabling condition funding primarily plans to serve special needs residents other than those with developmental disabilities.
3. If the SAIL gap funding moved to 2018-103 is not awarded, this funding will remain designated for use to serve persons with special needs in another RFA.
4. Reserve the remaining grant funds allocated by the 2017 legislature for housing for persons with developmental disabilities to one or more new RFAs not already on the timeline to provide financing to build or rehabilitate smaller permanent supportive housing properties for persons with developmental disabilities in a manner similar to previously issued RFAs that serve this demographic category.

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

HURRICANE RECOVERY UPDATE

Trey Price and Nancy Muller briefed the Board on continuing efforts in hurricane recovery, including statistics on how well Florida Housing-financed properties fared during the storm.

Chairman Smith asked the Board to authorize staff to proceed with the development of one or more requests for applications to use state and federal rental resources to finance affordable housing in areas of the state deemed to be the hardest hit by the 2017 hurricane, including priority funding for one or more developments in the Florida Keys.

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

SINGLE FAMILY BONDS – FINANCE

Item A, Single Family Homeownership Program. Barb Goltz asked the Board to approve the necessary funding, staff actions and resolution to permit the issuance of the proposed 2018 phase one homeowner mortgage revenue bonds.

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

CONSENT AGENDA

Ron Lieberman stated that he helped the non-profit associated with PLP Consent Item D, but never received any compensation, and counsel determined there would be no conflict of interest in that regard, so he could participate in the vote on that item.

Chairman Smith asked for a motion to approve the items on the Consent Agenda, with the exception of SAIL Consent Item A, Coral Bay Cove, and Legal Consent Item A, Cocoa Housing Preservation which were being pulled from consideration.

Motion to approve the items on the Consent Agenda, with the exception of SAIL Consent Item A and Legal Consent Item A, was made by Ms. Bastian with a second by Ms. Green-Cobb. Motion passed unanimously.

PUBLIC COMMENT

Shawn Wilson, of Blue Sky Communities, expressed summarized the Coalition of Affordable Housing Providers' recommendations to the Affordable Housing Workgroup.

Chairman Smith adjourned the meeting at 9:52 a.m.