

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
December 6, 2002**

TIME: 9:00 a.m.

LOCATION: Embassy Suites Hotel
5835 T.G. Lee Boulevard
Orlando, FL 32822

BOARD MEMBERS PRESENT:

Jay Taylor, Chair
Orlando Cabrera, Vice Chair
Bill Evans
Terry Santini
Jack Maxwell
Cesar Calvet
Zully Ruiz
Sandra Terry
Steve Seibert

CORPORATION STAFF PRESENT:

Mark Kaplan, Executive Director
Esrone McDaniels
Kerey Carpenter
Junious Brown
Barb Goltz
Wayne Conner
Stephanie Sgouros
Nancy Muller
Wellington Meffert
Sheila Freaney

ADVISERS PRESENT:

Bill Johnston, WLJ Capital/TIBOR Partners
Tom Lang, Allen, Lang, Curotto & Peed, P.A.
Mark Mustian, Nabors, Giblin & Nickerson

OTHERS ADDRESSING THE BOARD:

Scott Pavlak, Bear Stearns
Mitchell Friedman, Pinnacle Housing Group
Lenny Wolfe, Cornerstone
Allan Schnier, Alliant

Chairman Taylor called the Board of Directors' meeting to order.

MINUTES

Chairman Taylor recommended approval of the Board of Directors' Meeting Minutes for October 10, 2002.

Motion to approve this recommendation was made by Mr. Seibert with a second by Mr. Calvet. Motion passed unanimously.

PRESENTATION TO SECRETARY SEIBERT

Chairman Taylor asked Mr. Kaplan to join him for a presentation to outgoing Department of Community Affairs Secretary Steve Seibert. They presented Mr. Seibert with a plaque and thanked him for his great service, leadership and caring during his four years of service to Florida Housing.

Mr. Seibert thanked everyone for the plaque and reflected that four years ago, the Governor set a direction for Florida Housing to create a system for awarding funding that was not political. He stated that he believes this has been accomplished and is the legacy he is leaving behind. He stressed to everyone that the goal now is to figure out how to do even better; how to help more people.

FISCAL

Chairman Taylor recognized Ms. Goltz to brief the Board on Fiscal Committee matters.

Ms. Goltz recommended approval of the Fiscal Meeting Minutes for October 10, 2002.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Calvet. Motion passed unanimously.

Ms. Goltz then recognized Scott Pavlak, Managing Director of Bear Stearns Asset Management.

Mr. Pavlak stated that although year-to-date the S&P 500 is down 20 percent, since October 9, it is up 17 percent. He stated that the growth picture is looking brighter, especially in the area of retail sales. He stated that consumer confidence bottomed out at 79.4, but by the end of November, it was back up to 84.1. He pointed out that this correlates to the recent rally in the stock market, and should continue as the market improves.

Mr. Pavlak noted that initial unemployment claims are trending down, and as this continues, the unemployment rates should stabilize around 6 percent or even lower. He stated that new home sales numbers were extremely strong, as were the refinancing numbers. He stated that inflation is currently at 2 percent.

Mr. Johnston asked Mr. Pavlak if there would be any merit in doing a review of Florida Housing's investment guidelines. Mr. Pavlak suggested that there were a couple sections in the investment guidelines that would merit a review. Mr. Johnston asked Mr. Pavlak to do a review and report to Ms. Goltz for the Board to consider in the future.

Ms. Santini asked Ms. Goltz why Florida Housing used to put \$38 million each year toward growth of assets, but currently is only putting in around \$17 million. She asked if it was because the money was being used for demonstration projects instead of being invested. Ms. Goltz concurred that the money was going to other developments, especially in the SAIL Program.

Ms. Ruiz questioned Mr. Pavlak about the AA rating and what it would take to bring it up to AAA. Mr. Pavlak pointed out that in order to bring the rating up to AAA, the corporate bonds would need to be dropped from the portfolio, because they are rated A, and that brings the entire portfolio down to AA+. He stated that at AA+, the portfolio is as close to AAA as it can get. He also pointed out that Florida Housing's policy dictates that the portfolio be diverse and the corporate bonds have big earning potential.

Chairman Taylor recognized Ms. Goltz to brief the Board on the Operating Budget for 2003.

Ms. Goltz began by summarizing the steps that were taken to compile the proposed budget. She stated that meetings were held with each of the managers to discuss program plans and budgetary needs for 2003. She stated that projected investment revenues were discussed with Scott Pavlak and the proposed budget was prepared based on the conservative revenue picture.

Ms. Goltz then asked the Board to approve the 2003 Operating Budget as presented.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Evans. Motion passed unanimously.

Ms. Santini asked Ms. Goltz for clarification of the major increases from the 2002 budget. Specifically, she asked about the \$150,000 increase in advertising and public relations. Ms. Goltz pointed out that there is \$101,000 budgeted for advertising and public relations for the Single Family Program, which is significantly higher than 2002. Mr. Johnston added that increased public awareness of the Single Family Program is currently a major goal of Florida Housing. Mr. Calvet echoed this sentiment, noting that if the public does not know about the programs, they cannot take advantage of them.

GUARANTEE FUND

Chairman Taylor appointed the entire sitting board as Guarantee Fund Committee members for the purposes of this meeting and turned the meeting over to Jack Maxwell, Committee Chairman.

Mr. Maxwell recognized Junious Brown to brief the Board on Guarantee Fund matters.

Item A, Pinnacle at Abbey Park Apartments. Mr. Brown stated that The Pinnacle at Abbey Park Apartments is a proposed 160-unit multifamily development in Palm Beach County, and in May of 2002, the Guarantee Program issued a commitment to guarantee in connection with the proposed development. Mr. Brown asked the Board to approve the recommendation of staff and TIBOR to extend the commitment to guarantee on this development until June 30, 2003.

Motion to approve this recommendation was made by Mr. Seibert with a second by Ms. Santini. Motion passed unanimously.

Item B, Hampton Point Apartments. Mr. Brown stated that The Hampton Point Apartments is a proposed 284-unit multifamily rental development in Charlotte County, and in April of 2002, the Guarantee Program issued a commitment to guarantee in connection with the proposed development. Mr. Brown asked the Board to approve the recommendation of staff and TIBOR to extend the commitment to guarantee on this development until March 31, 2003.

Motion to approve this recommendation was made by Mr. Calvet with a second by Mr. Seibert. Motion passed unanimously.

Item C, Chapel Trace Apartments. Mr. Brown stated that Chapel Trace Apartments is a proposed 312-unit multifamily rental development in Orange County, and in August of 2002, the Guarantee Program issued a commitment to guarantee in connection with the proposed development. Mr. Brown asked the Board to approve the recommendation of staff and TIBOR to extend the commitment to guarantee on this development until March 31, 2003.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Seibert. Motion passed unanimously.

Item D, Portofino Apartments. Mr. Brown stated that The Portofino Apartments is a proposed 270-unit multifamily development in Palm Beach County. Mr. Brown asked the Board to approve the recommendation of staff and TIBOR to issue a commitment to guarantee an estimated mortgage of \$20,020,000 on this development.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Calvet. Motion passed unanimously.

Mr. Evans asked Mr. Brown if Palm Springs is the name of the subdivision where this proposed development is located. Mr. Brown stated that was the case. Mr. Evans then asked if the comparables were all guarantee fund deals in West Palm or just comparable. Mr. Brown stated that these were just comparables located in that sub-market, but that there are additional guarantee fund deals throughout the county.

Mr. Evans then expressed his concern that very recently Florida Housing had two or three properties in Palm Beach County that were struggling, and now is considering another in the same area. Mr. Johnston pointed out that one of the properties in question is Windsor Park, which is an elderly development, and therefore, is not a comparable for the current development because it is peculiar to that housing sector. Mr. Evans then asked about the other struggling developments and Mr. Johnston assured him that if they were not on the comparables list, they truly were not comparable.

Ms. Ruiz asked about the mix of units in the Portofino development. She asked if the mix was changed to provide more family units than were originally planned. Lenny Wolfe, from the Cornerstone Group, stated that of the 270 units, 80-85 are three-bedroom, two-bath family units, which was the original plan.

Item E, Brittany of Rosemont I, Brittany of Rosemont II and Sterling Palms Apartments.

Mr. Brown asked the Board to approve the recommendation of staff and TIBOR to ratify the action taken by staff to approve Alliant's purchase of TB Spano's interest in the general partnership of Brittany I, Brittany II and Sterling Palms, and the replacement of Spano's management agent with PMI, an independent third-party management agent, approved by Florida Housing as a management company.

Motion to approve this recommendation was made by Mr. Seibert with a second by Ms. Santini. Motion passed unanimously.

Mr. Brown then asked the Board to authorize the removal of Spano from the general partnership of Barrington Place and Mariner Club, the removal of the management company, and any legal action necessary to effectuate these transactions and related matters.

Motion to approve this recommendation was made by Mr. Seibert with a second by Ms. Santini.

Mr. Evans asked Mr. Brown what lead to the removal of the management company at these developments, as it is not always 100% the developer's fault. Mr. Brown concurred that aside from the developer's involvement in the management of the properties, the market contributed to the problems. Mr. Johnston added that another issue involved with these properties is absentee ownership.

Mr. Maxwell pointed out that these problems were brought to the Board's attention approximately a year and a half ago by Bill Johnston and the staff. He stated that because they saw a potential problem early on, they visited the properties and worked on solving the problems before they became unmanageable. He commended Mr. Johnston and the staff for staying on top of different situations and recognizing potential problems.

Ms. Santini remarked that the Board should take more responsibility for the monitoring and compliance of properties. She reflected that if there is more monitoring of properties before they become problematic, situations like these can be avoided.

Mr. Calvet echoed Mr. Maxwell's commendation of the Guarantee Fund Staff and Mr. Johnston for their diligent efforts in putting together a workout for these properties.

Mr. Maxwell then reiterated the motion that was made by Mr. Seibert and seconded by Ms. Santini to authorize the removal of Spano from the general partnership of Barrington Place and Mariner Club, the removal of the management company, and any legal action necessary to effectuate these transactions and related matters. Motion passed unanimously.

Mr. Maxwell then recognized Allan Schnier, from Alliant, to address the Board.

Mr. Schnier thanked the staff for its assistance and the Board for its cooperation in resolving this situation. Ms. Santini thanked Mr. Schnier and commented that Alliant has set a precedent for all syndicators to take responsibility in problematic situations.

Mr. Maxwell shared an article from the *Miami Herald* regarding a shortage of elderly housing in the Hialeah area. Ms. Santini echoed Mr. Maxwell's concerns and asked Mr. Kaplan to look into some stop-gap measures to alleviate this problem. Mr. Kaplan agreed to work on it.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Chairman Taylor recognized Ms. Goltz to brief the Board on Predevelopment Loan Program matters.

Item A, Uncollectible Loans. Ms. Goltz advised the Board that the Finance Department reviewed the PLP loan portfolio and determined that there were four loans where the businesses were no longer in existence. She stated that these loans had previously been considered uncollectible and are in reserve. Ms. Goltz recommended that the Board approve the recommendation to write off these loans in the amount of \$180,248.31.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Evans.

Ms. Santini inquired if personal guarantees are ever required on predevelopment loans. Ms. Carpenter stated that they are not. Ms. Santini suggested that the Board might want to consider requiring personal guarantees on PLP loans in the future.

Chairman Taylor then reiterated the motion that was made by Mr. Cabrera and seconded by Mr. Evans to approve Ms. Goltz's recommendation. Motion passed unanimously.

Item B, Frenchtown Village. Ms. Carpenter pointed out to the Board that this item was originally on the Consent Agenda, but a revised development plan was received subsequent to the Board Package being sent out, so the item was moved to the Action Agenda. Ms. Carpenter explained that the original staff recommendation was to approve only \$405,048 of the \$500,000 loan request, as that was the amount of the request that would actually be used for predevelopment activities and not site acquisition. She stated that after reviewing the new development plan, and looking at the viability and potential for success for this property which is located in a Front Porch area, staff now recommends approving the entire \$500,000 request, with \$100,000 being used for the necessary steps to get the deal into underwriting, and the remaining \$400,000 being used for site acquisition upon receipt of a favorable recommendation from the underwriter, at which time it will be presented to the Board for final approval.

Ms. Santini asked for clarification that the Board would be approving \$100,000 for release today, and the remaining \$400,000 would not be released without further Board approval. Ms. Carpenter stated that was the case, but is asking that the entire \$500,000 be approved to allow for one loan closing. She reiterated that the \$400,000 would not be released without Board approval and collateralization.

Motion was made by Ms. Santini with a second by Mr. Cabrera to approve staff's recommendation to approve a loan in the amount of \$500,000. Motion passed unanimously.

PROFESSIONAL SERVICES SELECTION

Chairman Taylor recognized Mr. Kaplan to brief the Board on Professional Services Selection matters.

Item A, Investment Manager Services. Mr. Kaplan stated that Item A was for investment manager services. He reminded the Board that it previously authorized the issuance of an RFP soliciting new investment managers with the goal of having two. He explained that Bear Stearns and another vendor were suggested and the other vendor was asked to accept Bear Stearns' pricing proposals, but declined to do so. He stated that the Board authorized another RFP to solicit proposals for the second half of the portfolio. He stated that 19 proposals were received and reviewed and the highest scoring applicant, UBS Global Asset Management, Inc., is being recommended for approval.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Ms. Santini. Motion passed unanimously.

Item B, Printing Services. Mr. Kaplan stated that Item B was for printing services, primarily for official statements. He recommended that the Board award the contract to the highest-scoring applicant, Ideal, LLC.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Seibert. Motion passed unanimously.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Chairman Taylor recognized Nancy Muller to brief the Board on SAIL matters.

Item A, SAIL Target Group Allocation for 2003. Ms. Muller explained that Chapter 420 requires Florida Housing to reserve allocation across a set of target groups: homeless, family, elders and commercial fishing workers and farmworkers. In December 2001, the Board made decisions regarding allocations for the next three years. She stated that during discussions regarding the 2003 Universal Application Cycle, it was suggested that the elder set-aside percentage of 27% be lowered based on the fact that elders are living in many non-age-restricted units. She remarked that staff researched the issue and found that in a random sample of SAIL units that are targeted to families, 4.6% are lived in by elder-only households. Ms. Muller recommended that the Board accept the staff recommendation to lower the SAIL elder allocation from 27% to 24% and increase the family allocation from 55% to 58%, noting that this change should be reviewed regularly to ensure that elders are being proportionally targeted.

Motion to approve this recommendation was made by Ms. Santini with a second by Mr. Cabrera. Motion passed unanimously.

HOME RENTAL

Ms. Carpenter explained that this item concerns the Garden Apartments in Opa-Locka, which was a 1992 HOME loan in the original amount of \$3 million. She stated that in 1999 and 2000 tropical storms and flooding had adverse effects on the property and it has been having negative cash flow ever since and is in need of repairs. She stated that the developer now has an opportunity to refinance the first mortgage and has asked to extend the maturity date of the HOME loan which is in second position.

Ms. Carpenter recommended that the Board approve the refinance of the HOME loan subject to the conditions set forth in the credit underwriting report.

Motion to approve this recommendation was made by Mr. Seibert with a second by Mr. Calvet.

Ms. Santini asked if there was insurance on the property when the flooding and tropical storms happened. Ms. Carpenter explained that there was insurance, but there was extensive litigation between the developer and the insurance company.

Mr. Cabrera asked Ms. Carpenter to describe some of the conditions placed on this extension. Ms. Carpenter outlined some of the conditions that must be met in order to go forward with the extension: Repayment of any late interest payments; an escrow account established with the servicer to pay for flood repair costs with any expenses review by the servicer; and a pay down of the accrued deferred interest.

Mr. Calvet asked the status of the insurance litigation. Mr. Jack Weir, of Creative Choice Housing, explained that there is approximately \$350,000 still subject to litigation in regard to the 2000 event, and all litigation in regard to the 1999 event is closed.

Ms. Santini asked for clarification on whether Florida Housing is actually advancing more funds in addition to the refinance. Mr. Kaplan stated that Florida Housing is only extending the time Creative Choice Housing has to repay the HOME loan and giving approval for the first lender to provide additional principal.

Mr. Cabrera asked what would happen to the expected \$350,000 when the current litigation is settled. Mr. Taylor echoed his concern and asked to be assured that any money received from the litigation will come back to the project, not to the developer. Mr. McCree assured Mr. Taylor that was the case.

Ms. Ruiz inquired about the reason for the flooding. Mr. McCree stated that the property is in a low-lying area, and when it was originally built, there was some flood control anticipated to take place, but did not. Ms. Ruiz asked if the project was getting any money from FEMA or the City of Opa-Locka. Mr. McCree stated that there was a \$2.1 million FEMA grant with matching funds from the City.

Chairman Taylor then reiterated the motion that was made by Mr. Seibert and seconded by Mr. Calvet to approve staff's recommendation to approve the refinance subject to the conditions set forth in the credit underwriting report. Motion passed unanimously.

MULTIFAMILY BONDS

Chairman Taylor recognized Wayne Conner to brief the Board on Multifamily Bond matters.

Mr. Conner asked the Board to approve staff's recommendation to approve the credit underwriting report for Pinnacle Grove Apartments, a 230-unit development in Vero Beach. He stated that this development would be financed with tax exempt bonds of \$8.35 million and there was a \$3 million HOME loan also.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Ms. Santini. Motion passed unanimously.

HOME OWNERSHIP

Chairman Taylor recognized Esrone McDaniels to brief the Board regarding Home Ownership Programs.

Mr. McDaniels stated that the Single Family Bond Issue has been closed with \$50 million to originate mortgages with a locked in rate of 5.92% for the mainstream and 4.99% in areas that are located in Front Porch and Hope VI communities and Urban Infill areas. He stated that trainings have been conducted for those lenders expressing an interest. He informed the Board that there are 23 lenders participating with branches all over the State, and since the November 1, 2002, starting date, \$8.5 million of the \$50 million has been reserved.

Mr. McDaniels stated that the newly produced television spots will be showing up on stations across the State within the next two weeks, as will the news release video featuring Mark Kaplan.

Mr. McDaniels stated that in the first round of the construction loan program, there were 32 applicants, 21 of which have completed threshold and are in credit underwriting. He was hopeful that some of these would be ready to be presented at the Board Meeting in January. He stated that there is approximately \$4 million left over in the HAP Construction Program and approximately \$8 million left over in the HAP Permanent Program, and an additional funding round is scheduled to begin December 16.

Ms. Santini asked how Florida Housing is competing in the market with 5.9% for home ownership when that is the current market rate. Mr. Kaplan pointed out that a large portion of borrowers who are eligible for the 5.9% rate are also eligible for zero percent down payment assistance. Mr. McDaniels added that approximately 84% of Florida Housing's homebuyers also receive down payment assistance.

Ms. Santini asked if Florida Housing was still providing credit fixes to potential homebuyers. Mr. McDaniels advised that credit counseling is still available through the participating lenders.

Mr. Johnston pointed out that in this Single Family deal, Florida Housing invested the loan funds pending the making of loans in the State Treasurer's fund. He stated that normally, those things are done with guaranteed investment contracts that Florida Housing is producing about 1.6 percent over the average life of a year or less, while those loans are being processed. He added that the State Treasurer's Fund was running closer to 3.75 or 4 percent, which is significant dollars on \$50 million of investment over time. He stated that the rating agencies require funds to be in AAA investments and that the State Treasurer's Fund was not rated AAA. He added that by working with the rating agencies and getting the Treasurer's Office to report their portfolio to them, the rating agencies signed off on it as a legitimate investment. He noted that the 2 to 3 percent that Florida Housing will pick up in investment income is very important. He stated that Florida Housing is a very small part of that fund; but for the first time, it will be extremely beneficial to the corporation.

Ms. Ruiz asked if the new media blitz is going to be in several languages, such as Spanish, because that is the target audience in Miami-Dade and Broward Counties. Mr. McDaniels stated that the commercials were only in English, but there is a Spanish language brochure.

UNIVERSAL APPLICATION

Chairman Taylor recognized Ms. Carpenter to brief the Board on Universal Application matters.

Ms. Carpenter explained to the Board that the rule package provided to them contains two rules: 67-48, which is SAIL HOME Housing Credits; and 67-21, which is Multifamily Mortgage Revenue Bonds. She also pointed out that the package also contained the application instructions, the QAP and the actual Universal Application itself. She pointed out that there was no major overhaul to the rules this year. She stated that staff tried to identify specific problems that arose during the 2002 cycle and make adjustments accordingly to create a better cycle in 2003.

Ms. Carpenter outlined some of the changes being proposed as follows:

- The HOME Program is now being included in the Universal Application, but will have separate rankings.
- The QAP has been revised to specify that one of the elderly goals regarding housing credits can be an ALF.
- The proximity rules have been tweaked in regard to small/medium counties to allow for different options to government-provided bus service.
- A list of "Location A" sites has been developed which identifies markets with saturation problems at the 60% AMI level.
- Infrastructure forms, such as roads, electric and water, local government contributions and zoning will be required to be in place by the application deadline to prevent shell application filings.
- A new tie-breaker has been created specifically for Miami-Dade County.
- The SAUL for Miami-Dade County has been increased from 350 to 400.
- Two non-curable items were added: The application fee must be paid as of the application deadline; and the original hard copy and three copies must be received as of the application deadline.
- The development proximity list will include 2002 cycle deals, local government bond deals and Florida Housing Guarantee Fund deals.

Ms. Carpenter then briefed the Board on the change regarding developments that are proposed in urban infill areas in large counties that will receive automatic points for proximity to other developments so as not to be penalized for being in urban infill areas where housing needs to be concentrated.

Ms. Terry remarked that in Sarasota County, which is a medium county, this is an issue because of the way the county is made up. She asked Ms. Carpenter if there are other medium counties with the same problem. Ms. Carpenter stated that she did not know of any other medium counties with this problem, only large counties.

Chairman Taylor invited comments from the development community on this issue so it can be addressed. He then recognized Mitchell Friedman, of the Coalition of Affordable Housing Providers, to address the Board.

Mr. Friedman expressed the Coalition's interest in having another workshop on the 2003 Rule, but understood that time did not allow for another workshop. He suggested that any comments on the Rule be sent directly to Ms. Carpenter for dissemination to the development community. He then thanked the staff for their efforts in reworking the application.

Ms. Carpenter then asked the Board to approve the staff's recommendation to approve the current version of the draft application and to allow the filing of a notice of proposed rule making.

Motion to approve this recommendation was made by Mr. Cabrera with a second by Mr. Evans. Motion passed unanimously.

ELECTION OF CHAIR AND VICE CHAIR FOR 2003

Chairman Taylor then opened the floor for nominations for Chair for 2003. Mr. Seibert nominated Orlando Cabrera as chairperson for 2003. Chairman Taylor asked for other nominations, and hearing none, asked for a vote on Orlando Cabrera as chairperson for 2003. Mr. Cabrera was elected unanimously.

Chairman Cabrera accepted the chairmanship and joined Mr. Kaplan to present outgoing Chairman Jay Taylor with a plaque and to thank him for his service to the Board. Mr. Kaplan read the inscription on the plaque:

The Florida Housing Finance Corporation expresses its tremendous appreciation to Robert J. Taylor for your leadership, vision and steady hand as chairman, the sequel. Thank you for answering the call once again and helping us start to reap what we sowed.

Mr. Calvet then made a presentation to Mr. Taylor from Secretary of Housing and Urban Development Mel Martinez to thank him for his outstanding job as Chairman, not only for one term, but for a second term when asked to do so.

Chairman Cabrera thanked Ms. Santini, Mr. Maxwell, Mr. Taylor and Mr. Evans for agreeing to serve another term on Florida Housing's Board of Directors.

Chairman Cabrera then asked for nominations for Vice Chair for 2003. Mr. Seibert nominated Cesar Calvet as Vice Chair for 2003. Chairman Cabrera asked for other nominations, and hearing none, asked for a vote on Cesar Calvet as Vice Chair for 2003. Mr. Calvet was elected unanimously.

RATIFICATION OF COMMITTEE ACTIONS

Chairman Cabrera asked the Board to ratify committee actions.

Motion to ratify committee actions was made by Mr. Seibert, with a second by Mr. Maxwell. Motion passed unanimously.

CONSENT AGENDA

Chairman Cabrera asked the Board to approve staff recommendation on the Consent Agenda.

Motion to approve staff recommendation on the Consent Agenda was made by Mr. Taylor, with a second by Ms. Santini. Motion passed unanimously.

Hearing no further business, Chairman Cabrera adjourned the Board of Directors' meeting of December 6, 2002 at 10:40 a.m.