

**BOARD MEETING MINUTES**  
**Wednesday, November 12, 2014**

A regular Board meeting of the Housing Finance Authority (“HFA”) of Broward County, Florida, was held on Wednesday, November 12, 2014, in the 2<sup>nd</sup> Floor Conference Room, located at 110 NE 3rd Street, Fort Lauderdale, Florida.

Mr. Daniel Reynolds, Chair, determined a quorum was present and called the meeting to order at 5:31 p.m.

Board Members Present:

Ruth T. Cyrus, Member  
Kirk L. Frohme, Member  
Donna Jarrett, Assistant Secretary  
Jose “Pepe” Lopez, Member  
John Primeau, Vice Chair  
Daniel Reynolds, Chair  
Bertha Smith, Secretary  
Milette Thurston, Member

Board Members Absent:

None

Staff:

Betsy Barnicle, Administrative Assistant  
Norman Howard, Assistant to the Director  
Carlos Rodriguez-Cabarrocas, Assistant County Attorney  
James Rowlee, Senior Assistant County Attorney  
Ralph Stone, Executive Director

Also Present:

Junious Brown, Nabors, Giblin & Nickerson, P.A.  
Linda Dufresne, Dufresne & Associates  
Helen Feinberg, RBC Capital Markets Corporation  
Tim Wranovix, Raymond James & Associates  
Deborah Zomermaand, Zomermaand Financial Advisory Services

**CALLING OF THE ROLL**

A Roll Call was taken by Ms. Betsy Barnicle.



## **CONSENT AGENDA (1 through 4)**

1. Approval of October 8, 2014, Regular Meeting Minutes
2. Executive Director's Report
3. Stirling Apartments Phase II – HUD Amendment Restrictive Covenants

**MOTION TO APPROVE** Resolution of the Housing Finance Authority of Broward County, Florida, approving and authorizing a HUD Amendment to Restrictive Covenants in connection with the Housing Finance Authority's \$5,350,000 Multifamily Housing Revenue Bonds (Stirling Apartments Phase II Project), Series 1999A and its \$1,050,000 Taxable Multifamily Housing Revenue Bonds (Stirling Apartments Phase II Project), Series 1999B; approving and authorizing the execution and delivery of certain other documents in connection therewith; and providing an effective date.

4. Praxis of Deerfield Beach Apartments – Land Use Restriction Agreement (LURA)

**MOTION TO APPROVE** Resolution of the Housing Finance Authority of Broward County, Florida authorizing the form of a First Amendment to Land Use Restriction Agreement and a Second Assignment, Assumption, Consent and Release Agreement Related to the Land Use Restriction Agreement dated as of July 1, 1998 of Praxis Phase III Apartments and providing for certain details thereof; authorizing the proper Officers to do all things necessary or advisable; and providing an effective date for this Resolution.

There were no discussions on Consent Agenda items 1 through 4.

**MOTION was made by Mr. John Primeau, seconded by Ms. Donna Jarrett, to approve Consent Agenda Items 1 through 4. This motion was unanimously approved.**

## **REGULAR AGENDA**

Mr. Ralph Stone provided two announcements: 1) the receipt today of a resignation letter from Mr. Robert McKinzie, Jr., member, due to his appointment as interim City Commissioner in Fort Lauderdale, and 2) new Bond Counsel, Mr. Junious Brown, Nabors, Giblin & Nickerson, P.A., who was in attendance at the meeting in progress.

5. Financial Reports Monthly Overview – Ms. Linda Dufresne

Ms. Dufresne provided a brief overview of the monthly reports, noting the addition of a cash subtotal on the Balance Sheet Reports and the single explanation for the “% Difference” column, which was “Timing of receipts/payments.” Mr. Primeau asked for an explanation to the Flux Report's \$16,791 loss under “Gain/Loss on Investment,” to which Ms. Dufresne answered that it was the market-to-market for the month. Mr. Kirk

Frohme requested more detail on the Balance Sheet's "Deferred revenue (Rent)" of \$47,634, to which Mr. Norman Howard explained that the HFA receives rent payments from the Housing Finance & Community Development Division, reported when received.

At this time, Ms. Barnicle announced the arrival at 5:36 p.m. of two HFA members: Ms. Ruth T. Cyrus and Ms. Bertha Smith.

It was confirmed by Mr. Howard and Ms. Dufresne that the Profit & Loss Report does not budget for gains and losses on investments due to their volatility. Ms. Dufresne reported that Staff has been working with the Operational Audit firm, and that the audit is still in process.

**MOTION was made by Mr. Frohme, seconded by Ms. Bertha Smith, to approve the HFA monthly financial reports for October 31, 2014. This motion was unanimously approved.**

#### 6. Residences at Crystal Lake Apartments Project

Ms. Debbie Zomermaand presented an overview, stating that Crystal Lakes Housing Partners, L.P. (the "Developer") had requested Inducement of the development, therefore an Inducement Resolution is before the Board. She also explained the recommendations for authorization to hold a TEFRA Hearing, to publish related notices, and to open a Good Faith Deposit (when requested by the Developer).

**MOTION was made by Mr. Primeau, seconded by Mr. Kirk Frohme, to approve the Resolution of the Housing Finance Authority of Broward County, Florida, declaring its official intent to issue Multifamily Housing Revenue Bonds of the Housing Finance Authority to finance all or a portion of the cost of the acquisition, construction and equipping of certain multifamily rental housing facilities (Residences at Crystal Lake Project) to be located within Broward County, Florida, and other related purposes; approving the issuance of the bonds, subject to certain further findings and conditions; and providing an effective date. This motion was unanimously approved.**

#### 7. Single Family Construction Program Policies and Procedures – Franklin Park Estates Development

Mr. Stone reported that the environmental review is expected to be completed by the end of the week, and pending that review, the project approval requests would be brought to the BOCC at the December 9, 2014, regular meeting. He also recommended the approval by the HFA of the "Policies and Procedures for Single Family Construction Program."

Mr. Stone explained the availability of Disaster Relief Initiative (DRI) funds in the amount of \$1.1 million, set to expire September 30, 2015, and required to be used on a construction project. He offered that those DRI funds could be used towards the

Franklin Park Infill construction, with the HFA financing the remainder, being approximately \$3 million. He reported that the \$664,000 for the buffer wall construction has been transferred from Public Works to the HFA.

Mr. Stone stated that following approvals from the BOCC, an RFP to choose a developer would be brought to the HFA Board at their December 10, 2014, regular meeting. He reported that the County Attorney's office recommended that they use a point system in assessing the RFP's; each criteria will have points, and Board members will individually assign points based on the criteria. Mr. Stone said that one of the evaluation criteria will be presentations by the developers to the Board, which may be in February or March, 2015.

Ms. Zomermaand explained that the DRI funds could only be used for home buyers at 80% or less of the area median income. Mr. Stone further explained that the SHIP funds could be used for buyers up to 140% of the median income, allowing for an overall balanced neighborhood of mixed incomes.

Ms. Donna Jarrett asked about how minority and small businesses could be considered during the development of the Project. Mr. Stone replied that DRI requirements mandate a "best effort" towards utilizing minority, small, and disadvantaged business owners, and that the RFP could, as directed by the Board, have this incorporated into the criteria. Mr. Reynolds recommended using the related Federal wording in the HFA RFP, and Mr. Lopez recommended that the outreach to businesses also be done in Spanish.

**MOTION was made by Ms. Bertha Smith, seconded by Mr. Jose Lopez, to approve the HFA Policies and Procedures for the Single Family Construction Program. This motion was unanimously approved.**

### **INFORMATION ITEM**

8. 2015 Florida Housing Finance Corporation Housing Credits and/or State Apartments Incentive Loan Local Government Contribution

Mr. Stone informed the Board that Staff will be publishing a Notice of Funding Availability for the tax credit, with \$900,000 remaining from the \$1 million, potentially servicing nine (9) projects.

#### **Single Family Mortgage Revenue Bonds (CitiMortgage Second Mortgage Loans)**

Mr. Stone addressed the status of the CitiMortgage Information Item (discussed at the October Board meeting), and he reported that prior to the Staff's draft letter going out, the Trustee, Bank of New York, reported an additional problem related to how CitiMortgage is applying funds from short sales to their servicing fees. Ms. Zomermaand explained that CitiMortgage's way of recouping the funds is not consistent with the way the Bond documents are set up and the way the collateral is intended to be

segregated by Bond Issue. The Professional Staff and County Attorneys are continuing to address the situation through the Trustee, reviewing the Master Service Agreement and using due diligence. Mr. Reynolds suggested involving a regulatory agency, and the Board discussed which of those would be applicable to oversee this range of possible violations. The Board agreed to add an Agenda Item to the next Board meeting with a recommended course of action.

9. **MATTERS OF HFA MEMBERS**

Mr. Reynolds, Chair, extended the Board's appreciation to Mr. Robert McKinzie, Jr., for his service in the HFA.

10. **MATTERS FROM THE FLOOR**

None.

11. **NEXT BOARD MEETING**

December 10, 2014

12. **ADJOURNMENT**

There being no other business, the meeting was adjourned at 6:13 p.m.

Disclosure: The above captioned Minutes are transcribed in a summary format. To hear the full meeting, a compact disk of the meeting (#HFA 11-12-2014) can be provided after 24 hours notice to the administrative office at 954-357-4928