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BOARD MEETING MINUTES Wednesday, March 11, 2015

A regular Board meeting of the Housing Finance Authority (“HFA” or the “Authority”) of Broward County, Florida, was held on Wednesday, March 11, 2015, in the 2nd Floor Conference Room, located at 110 NE 3rd Street, Fort Lauderdale, Florida.

Mr. John G. Primeau, Chair, determined a quorum was present and called the meeting to order at 5:30 p.m.

Board Members Present:

Ruth T. Cyrus, Member
Kirk Frohme, Member
Donna Jarrett, Secretary
Jose “Pepe” Lopez, Member
John G. Primeau, Chair

Daniel D. Reynolds, Member
Bertha Smith, Vice Chair
Milette Thurston, Assistant Secretary

Board Members Absent

None

Staff:

Betsy Barnicle, Administrative Assistant
Suzanne Fejes, Assistant Director
Norman Howard, Assistant to the Director
Yvette Lopez, Section Manager
Mildred Reynolds, Section Manager
Carlos Rodriguez-Cabarrocas, Assistant County Attorney
James Rowlee, Senior Assistant County Attorney
Ralph Stone, Executive Director

Also Present:

Katharine Barry, Homes, Inc.
Alwayne Burke, Urban League of Broward County
Ana Cancio, Access Builders
Ed Cancio, Access Builders
Frank Castellon, Access Builder
Denise Castro, Emerald Construction
Bonnye Deese, BAND
Linda Dufresne, Dufresne & Associates
Clemence Fiagome, ABURI, LLC
Ramiro Gamez, Emerald Construction
Henry Graham, L.E.S., Inc.
Edward Grana, Access Builders

Janice Hayes, Broward County Minority Builders Coalition (“BCMBC”)
Eric Haynes, Inner Urban
Rafael Huguet, Emerald Construction
Brian C. Johnson, BCMBC
Joseph Pallonetti, Inner Urban
Gilda Pereda, Emerald Construction
Jacqueline Reed, Oasis of Hope
Anthony Serafino, Inner Urban
Suzanne Weiss, NHSSF
Bob Ziegler, Ziegler Builders, Inc.
Deborah Zomermaand, Zomermaand Financial Advisory Services



CALLING OF THE ROLL

A Roll Call was taken by Ms. Betsy Barnicle.

CONSENT AGENDA (1 and 2)

1. Approval of February 11, 2015, Regular Meeting Minutes
2. Executive Director's Report

There were no discussions on Consent Agenda items 1 and 2.

MOTION was made by Mr. Daniel Reynolds, seconded by Mr. Kirk Frohme, to approve Consent Agenda Items 1 and 2. This motion was unanimously approved.

REGULAR AGENDA

3. Financial Reports Monthly Overview – Ms. Linda Dufresne, Dufresne & Associates

Ms. Linda Dufresne provided a brief overview of the monthly reports. She explained the special note (number 2) on the Balance Sheet regarding the handling of the Bond Audit Fees as cash through the Balance Sheet (since they aren't an expense of the Authority). Ms. Dufresne reported that the primary "Differences" were due to the annual adjustments made for normal end-of-year closing entries related to the audit.

MOTION was made by Mr. Frohme, seconded by Ms. Donna Jarrett, to approve the HFA monthly financial reports for February 28, 2015. This motion was unanimously approved.

PRESENTATIONS

4. Franklin Park Estates Infill Project – Request For Proposals No. R2014012015FP

Mr. Ralph Stone discussed the Board members' scoring of the Developer/General Contractors' proposals for the Franklin Park Estates Infill Project (the "Project"), explaining that the members may adjust their own scores in response to the presentations made during the meeting, prior to the combining of the members' scores resulting in a final ranking. Mr. Stone stated that Developer/General Contractors have the right to be present in the meeting room during another bidder's presentation, which was confirmed by Mr. James Rowlee, Senior Assistant County Attorney. He explained that the agenda schedule allotted thirty (30) minutes per presenter, including setup time, a timed ten (10) minute presentation, and an open-ended time for questions and

answers (which were permitted to go past the thirty (30) minutes). There was a question as to the status of the proposals' reference checking by Staff (referring to a "Reference" handout to the Board), and Mr. Stone ascertained that they were completed.

I. Oasis of Hope Community Development Corporation

Ms. Jacqueline Reed, President and CEO, introduced herself and Mr. Clemence Fiagome, Construction Manager and certified General Contractor, then listed the names and roles of the non-present team members. Ms. Reed used a PowerPoint presentation to review her nonprofit organization's history, past and current projects (such as Roosevelt Gardens), and proposal for the Project. Mr. Fiagome then noted their ability to meet the aggressive schedule, starting with the pre-cast wall, and using two teams on the homes. Ms. Reed concluded the presentation with a review of their budget numbers for each of the three models (\$204,000/I, \$205,000/II, and \$194,000/III), total construction cost of 3.1 million dollars, and a total cost of approximately 3.6 million dollars.

The Board then asked questions of Ms. Reed and Mr. Fiagome, with topics including Oasis' 2009 formation date and listed project dates, profit percentage, the occupational license for the General Contractor, and the projected completion date in August. A Board Member asked Mr. Stone if he was aware of Oasis of Hope having done work with the County, to which he replied that the County has a current contract with Oasis of Hope, and that he has been acquainted with Ms. Reed for a long time (with New Visions).

II. Emerald Construction Corporation

Ms. Gilda Pereda, President, Emerald Construction Corporation, introduced their staff in attendance: Mr. Rafael Huguet, Mr. Ramiro Gamez, and Ms. Denise Castro. Ms. Pereda described Emerald Construction as a minority (woman) owned business with offices in Dade and Broward Counties. Mr. Gamez, Director of Construction, then continued with the PowerPoint presentation and overview of the corporation, past single and multifamily projects, and their proposal. Mr. Huguet, Project Manager, reviewed the cost breakdown on each of the home models, their materials (such as architectural shingles, impact resistant windows, and granite countertops), renderings of the models, the cost breakdown of the pre-cast wall, and profit margin. Mr. Huguet also discussed the construction schedule, including a separate schedule for the pre-cast wall and a buffer time of one week for each home. Mr. Gamez reported on "Green Construction" issues then concluded the presentation.

The Board members asked Emerald Construction staff for an explanation regarding the comparatively higher proposed cost per home, and the answer referred to the cost of construction in such a short time frame. Also, Emerald's staff answered the members that most work would be self-performed (not subcontracted), such as the

cement and masonry work, though they may subcontract some of the drywall and painting. Then many members' questions were answered by Emerald: their strategy to meet the aggressive schedule, their prior work for both Broward and Dade County and several Cities, plans to meet "Green Construction" and Florida energy code requirements, and their ability to finance the project.

III. Broward Alliance for Neighbor Development (BAND)

Ms. Bonnye Deese introduced BAND's attending project staff: Ms. Katharine Barry/H.O.M.E.S., Ms. Suzanne Weiss/Neighborhood Housing Services of South Florida, Mr. Alwayne Burke/Urban League of Broward County, Mr. Daniel Secu/DSG Construction, Mr. Robert Ziegler/Ziegler Builders, and Mr Henry Graham/L.E.S., Inc. Ms. Barry provided the history and nonprofit mission of BAND. Ms. Weiss continued the presentation by reviewing the timeline, the home model and wall costs, the profit percentage, and other Project details. Mr. Burke provided a report of the financing and BAND's ability to cash flow the Project, then Ms. Deese concluded the presentation by pointing out BAND's value-added capability to utilize their community and Section 3 relationships.

The Board members then posed questions to the BAND team, with an explanation given to the exact lines of credit from combined sources , a description to the split of building between two Contractors (nine (9) houses each), and details on the pre-cast wall costs. Mr. Ziegler described his experience with high capacity projects, and Mr. Secu reviewed his years of experience.

IV. Access Builders, Inc.

Mr. Ed Cancio, President/CEO/CFO of Access Builders, introduced their project team: Ms. Ana Cancio/Project Executive, Mr. Edward Grana/Project Manager, and Mr. Frank Castellon/Superintendent. Mr. Cancio used a PowerPoint presentation to review Access Builders' building experience with County and local governments and grants, and he discussed the organization chart and the team member and subcontractor qualifications. He stressed that, having already built many homes in that community (some of which were the same or similar models as the Project's models), they have created relationships that will help to expedite building more homes. Mr. Cancio covered the company's plan to build with quality amenities, their financial capacity to build the Project, and the ability to meet the timeline (by building in three (3) six-house batches and taking into account the clearance needed to build the pre-cast wall).

Questions from the Board members followed the presentation, such as Access Builders' choice of construction for the pre-cast wall, more detail on their plan to use in-house working capital and lines of credit, the status of their 2014 financial statement (which was reported as being developed). Mr. Reynolds asked Mr. Stone if the County had done business with Access Builders, and Mr. Stone

answered that they had: twelve (12) homes in the last few years in the unincorporated area near Franklin Park, on time and with minimum over-site.

V. Inner Urban Asset Management of Ft. Lauderdale LLC/Inner Urban Construction

Mr. Eric Haynes, Project Executive for Inner Urban, began a PowerPoint presentation by noting the three (3) main Project deliverables: 1) to complete the Project by September 30, 2015, 2) to maximize Section 3 participation, and 3) to create jobs from within the community. Mr. Haynes reported that to meet the deadline, they would use high capacity contractors. He said they have partnered with the Broward County Minority Builders Coalition (BCMBC), and that they were one of the contractors in the current Disaster Recovery Initiative (DRI) Program. He explained their ten percent (10%) profit percentage and overhead, their ability to finance, and the plan to use the County vendor for the pre-cast wall construction. Mr. Haynes then introduced the Inner Urban project team, of whom Mr. Brian Johnson, Executive Director of BCMBC, spoke regarding their firm's experience with Section 3 and their desire to meet the community's goal of increasing business and jobs in the area.

The Board posed questions of the Inner Urban team, including those about construction cost per unit, the selling price of a "nineteenth lot" (a Franklin Park Estates lot owned and being built upon by Inner Urban), clarification on reported profit margins, the General Contractor being Inner Urban Construction (licensed), the plan for creating an LLC for the Project with new equity partners, and the capacity to build the eighteen (18) homes in the required timeframe.

Mr. Stone announced that the meeting would continue with the completion of scoring the Developer/General Contractors, which would be followed by the final ranking. The Chair adjourned the meeting for a five (5) minute break. The Chair then called the meeting back to order. Mr. Frohme asked if the HFA is not able to negotiate with the winning party, then would the HFA go on to negotiate with the second ranked party, and Mr. Rowlee answered that that would be correct, following the order from first to last ranked. The Board members discussed whether the negotiations would include price, and Mr. Rowlee answered that they could, and Ms. Yvette Lopez, Section Manager, offered that some price changes could be made within the margin above the minimum specifications required. Mr. Stone informed the Board that the negotiated contract would go before the Board of County Commissioners April 14, 2015. Ms. Debbie Zomermaand, the HFA Financial Advisor, reported that the winning bidder would have five (5) days to submit the required information to the Credit Underwriter.

Let the record note that the digital recorder was turned off during part of the "silent" tallying period, and the recording was resumed when the final ranking had been confirmed and reported as such to the Chair.

The Board completed their Rating Sheets and submitted them to the County Attorneys, Staff, and attending Professional Team members who tallied the final ranking on the Scoring Summary Sheet. Mr. Ralph Stone reported the ranking results from the Scoring Summary Sheet as follows:

<u>Developer/General Contractor</u>	<u>Total Score</u>	<u>Ranking</u>
Access Builders	1,133	1
Emerald Construction	1,051	2
BAND	1,033	3
Inner Urban Construction	1,023	4
Oasis of Hope	816	5

A. MOTION was made by Mr. Reynolds, seconded by Mr. Jose Lopez, to approve the final ranking of the qualified Developers/General Contractors for Request For Proposals (RFP) No. R2014012015FP, to build eighteen (18) single family homes and a perimeter, sound barrier pre-cast concrete wall and entrance sign, and authorize Staff and the County Attorney's Office to proceed with contract negotiations with the top-ranked Developer/General Contract subject to Credit Underwriting. All votes were aye.

5. MATTERS OF HFA MEMBERS

None.

6. MATTERS FROM THE FLOOR

None.

7. NEXT BOARD MEETING

April 8, 2015

8. ADJOURNMENT

There being no other business, the meeting was adjourned at 8:56 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 3-11-2015) can be provided after 24 hours notice to the administrative office at 954-357-4928