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BOARD MEETING MINUTES Wednesday, March 9, 2016

A regular Board meeting of the Housing Finance Authority ("HFA" or the "Authority") of Broward County, Florida, was held on Wednesday, March 9, 2016, in the 2nd Floor Conference Room, located at 110 NE 3rd Street, Fort Lauderdale, Florida.

Ms. Milette Thurston, Chair, determined a quorum was present and called the meeting to order at 5:30 p.m.

Board Members Present:

Jacqueline Paige Browne, Secretary
Ruth T. Cyrus, Vice Chair
Kirk L. Frohme, Member
Donna Jarrett, Member
Colleen LaPlant, Assistant Secretary

Jose "Pepe" Lopez, Member
John G. Primeau, Member
Daniel D. Reynolds, Member
Milette Thurston, Chair

Board Members Absent:

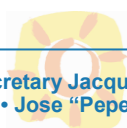
None

Staff:

Betsy Barnicle, Secretary
Norman Howard, Senior Officer
James Rowlee, Senior Assistant County Attorney
Ralph Stone, Executive Director

Also Present:

Junious Brown, Nabors, Giblin & Nickerson, PA
Carlyle M. Carias, The Partnership, Inc.
Helen Feinberg, RBC Capital Markets Corporation
Hugh Jacobs, The Partnership, Inc.
Nadine Jarmon, Phd, Deerfield Beach Housing Authority
William Lamm, Bank of New York Mellon
Linda Mendillo, Dufresne & Associates, CPA, PA
Thomas Radicioni, Bank of New York Mellon
David Tolces, Deerfield Beach Housing Authority
Tim Wranovix, Raymond James & Associates
Deborah Zomermaand, Zomermaand Financial Advisory Services, LLC



CALLING OF THE ROLL

A Roll Call was taken by Ms. Betsy Barnicle.

Ms. Milette Thurston, Chair, reviewed the staff report dated March 9, 2016, (see Exhibit 1), which was distributed to the Board members at the meeting. She noted that the report had a scrivener's error correction to Item 4 and an additional information item for Item 2 Attachment 1.

CONSENT AGENDA (1 through 3)

1. Approval of February 10, 2016, Regular Meeting Minutes
2. Executive Director's Report
3. Florida Association of Local Housing Finance Authorities (Florida ALHFA) 2016 Conference Sponsorship

MOTION was made by Mr. Daniel D. Reynolds, seconded by Mr. John G. Primeau, to approve Consent Agenda Items 1 through 3. This motion was unanimously approved.

REGULAR AGENDA

4. Reliance Gulfstream Associates, Ltd.

Mr. Ralph Stone, Executive Director, briefly reviewed the present situation with Gulfstream Apartments, including the recent written request by Gulfstream representatives to have the Board consider a loan restructuring, and he introduced Mr. Hugh Jacobs from The Partnership, Inc. ("TPI")

Mr. Jacobs provided an overview of TPI's involvement with Gulfstream Apartments, having become the General Partner in 2014 and the full owner December 31, 2015. Mr. Jacobs explained that TPI's goal is to make the Gulfstream Apartment complex profitable, which they would do by going back to HUD to refinance the First Mortgage loan and to get additional financing to use towards improving the property. He explained that TPI is to either pay off the promissory note or extend it thirty-five years, and they are choosing to ask for the extension with a rate reduction to 3% and a rollover of the accrued interest into the principle.

The Board discussed details of the loan modification request with Mr. Jacobs, Ms. Carlyle M. Carias (also with TPI), and with Staff, who confirmed their recommendation of the request. Mr. Kirk Frohme asked that TPI provide to the Board a minimum of five years of cash flow projections.

MOTION was made by Mr. Primeau, seconded by Mr. Reynolds, that, contingent upon Staff's acceptable review of five years of cash flow projections (to be provided by TPI) that meet criteria for making the payments, to approve the Representatives of Gulfstream Apartments' request to restructure its Promissory Note in the amount of \$100,000 at an interest rate of 6% to Reliance Gulfstream Associates, Ltd, in conjunction with a HUD refinancing allowing for: 1) a term acceptable to HUD, 2) modification of the interest rate, 3) increase in principal amount of Promissory Note equal to the outstanding accrued interest, 4) assignment and assumption of the current loan, 5) interest payment based on available cash flow. Motion passed with eight (8) votes aye and one (1) vote nay.

5. Stanley Terrace Apartments Project

Dr. Nadine Jarmon of the Deerfield Beach Housing Authority voiced her Board of Commissioners' appreciation to the HFA for their work with affordable housing and its consideration of issuing bonds for the rehabilitation in Stanley Terrace Apartments. The Board then asked questions of Dr. Jarmon, such as clarifying information that was provided in the Credit Underwriting Report.

MOTION was made by Mr. Primeau, seconded by Mr. Jose Lopez, to approve Resolution of the Housing Finance Authority of Broward County, Florida (the "Housing Finance Authority"), authorizing the issuance of its not to exceed \$11,000,000 Multifamily Housing Revenue Bonds, 2016 Series B (Stanley Terrace Apartments) for the purpose of financing the acquisition, rehabilitation and equipping of Stanley Terrace located in Broward County, Florida (the "Project"); establishing parameters for the award of the sale thereof and establishing criteria for determining the terms thereof, including interest rates, interest payment dates, maturity schedule and other terms of such bonds; approving the forms of and authorizing the execution and delivery of (i) a Trust Indenture by and between the Housing Finance Authority and the Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"); (ii) a Loan Agreement by and between the Housing Finance Authority and Stanley Terrace, LTD. (the "Borrower"); (iii) a Land Use Restriction Agreement by and among the Housing Finance Authority, the Trustee and the Borrower; (iv) a Bond Purchase Agreement by and among the Housing Finance Authority, the Borrower and Citibank, N.A., or its affiliate, as Bond Purchaser; (v) a Placement Agent Agreement by and between the Housing Finance Authority and RBC Capital Markets, LLC, and Raymond James & Associates, Inc., as Placement Agents; and (vi) a Trustee Fee Agreement by and between the Housing Finance Authority and the Trustee; approving and authorizing the execution and delivery by the Housing Finance Authority of certain additional agreements, instruments, certifications and affidavits necessary or desirable in connection with the issuance of the bonds; authorizing the appointment of the Bank of New York Mellon Trust Company, N.A., as the Trustee; authorizing the Housing Finance Authority to consent to the borrower placing subordinate financing on the Project and approving the execution of such agreements as may

be necessary in connection with such consent; waiving the prohibition against using subordinate financing to pay off tax-exempt financing; waiving the fee for services related to the Housing Finance Authority's annual audit of the Project; authorizing the proper Officers of the Housing Finance Authority to do all things necessary or advisable in connection with the issuance of the bonds; and providing an effective date for this Resolution. All votes were aye.

6. Financial Reports Monthly Overview – Ms. Linda Mendillo, Dufresne & Associates, CPA, PA

Ms. Linda Mendillo made a brief review of the February Financial Reports, noting no significant changes on the Balance Sheet between January and February, and noting the Franklin Park Homes Construction item as the large difference under Expenses on the Profit & Loss Reports. Ms. Mendillo also reported on the newly provided report titled “Cash Activity Summary, February 28, 2015 – February 29, 2016” with a year-to-year comparison showing a large, negative difference for the Karpus account and its reconciliation with the Franklin Park Construction Expenditures.

Mr. Frohme discussed various questions regarding the Franklin Park Expenditures listed on the Cash Activity Summary with Ms. Mendillo and Staff, and Mr. Stone explained the anticipated repayment details for the expenditures.

MOTION was made by Mr. Frohme, seconded by Mr. Reynolds, to approve the HFA monthly financial reports for February 29, 2016. This motion passed with all ayes.

7. Single Family Bonds – 2017 Mortgage Credit Certificate (MCC) Program

Mr. Stone reported on the Single-Family MCC Program, noting that 289 Certificates had been issued in the 2014 Program to-date, which is an average of approximately 15 Certificates per month. Mr. Stone explained that, due to the lead time needed to prepare for a new Program following the conclusion of the current one, Staff recommends that the Board approve some actions and allocations at this time.

MOTION was made by Mr. Reynolds, seconded by Ms. Donna Jarrett, to authorize Staff to publish a Mortgage Credit Certificate Public Notice; authorizing the assignment of Bond Counsel to assist in the preparation of the Public Notice; and authorizing the expenditures for such purposes not to exceed \$2,500. All votes were aye.

8. MATTERS OF HFA MEMBERS

Mr. Frohme asked for a status on the SHIP Reconciliation report which had been requested from Florida Housing (FH), and Mr. Stone responded that Staff had submitted the report and

then an FH Compliance Monitoring team had come on-site for a few days and provided a draft report on their exit interview. Mr. Stone stated that FH was planning to send a formal letter with their determined critiques and recommendations regarding SHIP (which would be shared with the Board), and he added that SHIP funds were still being withheld, though that does not directly impact the HFA.

9. MATTERS FROM THE FLOOR

The attending Professional Staff introduced themselves to the Board for the benefit of new Board Members.

10. NEXT BOARD MEETING

April 20, 2016.

11. ADJOURNMENT

There being no other business, the meeting was adjourned at 6:24 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 3-9-2016) can be provided after 24 hours' notice to the administrative office at 954-357-4928

Exhibit 1



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TO: Housing Finance Authority of Broward County
FROM: Norman Howard, Senior Officer
DATE: March 9, 2016
SUBJECT: Staff Report – March 9, 2016 Board Meeting
Additional Information and Scrivener Error

ADDITIONAL INFORMATION:

Item #2 – Executive Report, Attachment #1, Rental Occupancy Report
Staff added comments to newly highlighted areas on the report. See attached.

SCRIVENER ERROR:

Item #4 – Gulfstream Apartments, Background section, #2 **currently reads** "...is due and payable on July 21, 1016..." and **it should read** "...is due and payable on July 21, 2016..." See attached.