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BOARD MEETING MINUTES Monday, April 13, 2009

Present: Donna Jarrett, Chair
Brad Orvieto, Vice Chair
Jon E. Dorsey, Secretary
Kirk L. Frohme, Assistant Secretary
David Esposito, Member
Jose "Pepe" Lopez, Member
Robert McKinzie, Member
Bertha Smith, Member

Absent: Kenneth Thurston, Member

Staff: Norman Howard, Assistant to the Director
Sue Fejes, Assistant Director
Noel Pfeffer, Deputy County Attorney
Purvi Bhogaita, Assistant County Attorney
Mary O'Donnell, Broward County Accounting Division
Elizabeth Gonzalez, Division Administrative Assistant

Also Present: Deborah Zomermaand, Zomermaand Financial Advisory Services
Kyle Clayton, ZOM Florida Inc.
William Kassebaum, ZOM Florida Inc.
Greg West, ZOM Florida Inc.
Liz Feezor, Bank of New York Mellon Trust
Helen Feinberg, RBC Capital Market
Jeff DeCarlo, Adorno & Yoss
Patt Denihan, eHousing
Phil Harloff, Raymond James & Assoc.
Hugo Hernandez, Coral Shores Realty

A regular Board meeting of the Housing Finance Authority of Broward County, Florida was held on Monday, April 13, 2009, at 110 NE 3rd Street, Suite 201, Fort Lauderdale, Florida. Chair, Donna Jarrett, called the meeting to order at 5:30 pm.

A Roll Call was taken and a quorum declared.

TEFRA HEARINGS - 2009 MULTIFAMILY DEVELOPMENT PROJECTS

Ms. Jarrett and Mr. Howard held the Tefra Hearings for each project listed below, starting at 5:35 p.m. and closing all six (6) Hearings at 5:50 p.m.

- I. Heritage Plaza @ Sistrunk Apartments
- II. Monterra Apartments
- III. Foxcroft Apartments
- IV. Atlantic Station Apartments
- V. Alston Villas Apartments
- VI. Atlantic Gardens Apartments

CONSENT AGENDA

1. Approval of March 11, 2009 Regular Meeting Minutes
2. Executive Report
3. Finance Reports
4. FL ALFHA Educational Conference

Mr. Howard requested to pull Items 1 and 4 of the Consent Agenda for corrections, as follows:

Item 1, March 11, 2009 Regular Meeting Minutes, #4 – 2009 Multifamily Development Project Applications, Mr. Howard stated he would like to add the following and he cited: “*Ms. Zomermaand explained there was a shortfall of \$8 million to fully fund all 2009 submitted multifamily applications and if transactions receiving 2008 carry forward are not closed by June 30, 2009, the developments receiving 2009 allocation may need to defer any closings until December 1, 2009*”. Previously: “*Ms. Zomermaand explained there was a shortfall of \$8 million from the \$97 million carried forward and it was of utmost importance that all the Bond deals are closed by June 30, 2009, otherwise, it would get complicated*”.

Item 4, FL ALFHA Educational Conference, Mr. Howard recommended to add the Financial Advisor to the list of attendees.

A motion by Mr. Esposito, seconded by Mr. Lopez, to approve the Consent Agenda of March 11, 2009 was unanimously approved.

Mr. Orvieto inquired about the financial statements; Ms. O'Donnell responded to one of the questions, offering to answer the rest directly to Mr. Orvieto by email and Mr. Orvieto agreed.

5. 2009 Multifamily Development Project Applications

Ms. Zomermaand recommended that Developers get acquainted with Chapter 159 of the 2008 Florida Statutes, which described how the allocation works. At Mr. Orvieto's request, she explained the Readiness Review Process, which included the credit underwriting process, analysis of appraisal, market conditions, equity that is coming into the transaction, operating expenses and costs, replacement reserves, assumptions on vacancies, rental increases, etc. Mr. Frohme asked what kind of estimation of construction costs has been made and Ms. Zomermaand responded it is a very early stage and the HFA hasn't done any official review yet. Mr. Howard added that, if approved by the HFA, these six (6) Resolutions will be adopted at the Commissioners meeting on May 12, 2009.

A Motion by Mr. Orvieto, seconded by Mr. Esposito, to approve six (6) Resolutions of the Housing Finance Authority of Broward County, Florida declaring its official intent to issue Multifamily Housing Revenue Bonds of the HFA to finance all or a portion of the cost of the acquisition and construction of certain multifamily housing facilities (Heritage Plaza @ Sistrunk Apartments, Monterra Apartments, Foxcroft Apartments, Atlantic Station Apartments, Alston Villas Apartments, and Atlantic Gardens Apartments) 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 was unanimously approved.

6. Request Letter of Interest (RLI) – HFA Audit Services

Mr. Howard explained that as of September 11, 2009 the agreement with Sharpton, Brunson & Co. P.A. will be terminated and Staff is submitting a draft of Request for Letters of Interest (RLI) for the Board's review and approval. A proposed timeline was also presented and Mr. Howard emphasized the due dates of items 4 and 6: June 10 and August 12, 2009, which are HFA Board Meeting dates.

Mr. Frohme asked clarification on whether these services were for all the HFA operations or just for the bond audit; Mr. Howard responded that they were for the bond audit only.

A motion by Mr. Esposito, seconded by Mr. Dorsey, to direct staff to prepare a Request for Letter of Interest (RLI) to seek applications for the HFA Audit Services and approve the proposed timeline was unanimously approved.

7. Single Family Bond Program – Master Servicer

Ms. Zomermaand explained that the Professional Team evaluated the three (3) proposals received and was recommending Leader Financial Services as the number one choice, US Bank Home Mortgage as number two, and Countrywide Bank as number three. Mr. Orvieto inquired about US Bank not being picked as the first choice since it seems to have more resources. Ms. Zomermaand responded that considering that Leader Financial Services is a smaller institution, it would give a more personalized attention to the HFA requirements and provide better reporting. Also, their performance with Hillsborough HFA was highly rated. Ms. Feinberg and Mr. Harloff added that Leader Financial Services was paying more money than the other two applicants. Mr. Frohme asked Mr. Harloff if it was because that institution wanted to expand their participation in this niche, and the answer was yes.

- A. **A motion by Mr. Lopez, seconded by Mr. Esposito, to approve the HFA professional team's recommendation for Master Servicer for the HFA's existing single family transactions under the 2006 Master Mortgage Origination and Servicing Agreement and for future transactions under the same agreement was unanimously approved.**
- B. **A motion by Mr. Esposito, seconded by Mr. Lopez, to authorize staff to begin negotiations with the top ranked firm moving in the order of ranking to the extent negotiations are not successful was unanimously approved.**

INFORMATION ITEMS

8. Broward County Neighborhood Stabilization Program (NSP)

Mr. Howard informed that Mr. Stone has issued a NSP Proposal memorandum, addressed to the Board members, explaining the details of this proposal. He also mentioned that this Item doesn't require any action from the HFA at this time since the agreement is still in a draft form. Mr. Howard stated that a Request for Qualifications (RFQ) took place and three (3) vendors were selected for recommendation to the Board of County Commissioners: Broward Alliance for Neighborhood Development (BAND) was awarded \$6.4 million; Housing Authority of Ft. Lauderdale (on the rental side) was awarded \$2 million; and the Broward Housing Partnership Community Land Trust was awarded \$1.8 million. Mr. Howard added that the HFA would also hold title to rental properties at completion of rehabilitation until those titles could be transferred to vendors.

There was a lengthy discussion among Mr. Orvieto, Mr. Frohme, Mr. Esposito, Mr. Lopez, Ms. Fejes, and Mr. Pfeffer regarding the involvement of several entities in this program, such as the Urban League, Housing Finance and Community Development Division, the HFA, BAND,

different Broward Cities, and other Developers. Ms. Fejes emphasized that the HFA won't be holding title for too long since the timeframe to complete this program is 18 months.

9. Single Family - Federal Home Loan Bank of Atlanta (FHLBA)

Ms. Zomermaand informed that the HFA had a line of credit with the Federal Home Loan Bank of Atlanta, which matured on April 1, 2009, in the amount of \$20,000,000 and Staff is recommending that the line of credit not be extended upon maturity. She also mentioned the line of credit is still active (with a zero balance) in the event the HFA elects to utilize this mechanism to preserve allocation in the future.

10. **MATTERS FROM THE FLOOR**

11. **NEXT BOARD MEETING**

May 13, 2009 at 5:30 PM

12. **ADJOURNMENT**

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Disclosure: The above captioned Minutes are transcribed in a summary format. To hear the full meeting, a compact disk of the meeting can be provided after 24 hour notice to the administrative office at 954-765-5382.