

BOARD MEETING MINUTES
Wednesday, March 11, 2009

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

Absent: David Esposito, Member

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

Also Present: Deborah Zomemaand, Zomemaand Financial Advisory Services
Kyle Clayton, ZOM Florida Inc.
William Kassebaum, ZOM Florida Inc.
Greg West, ZOM Florida Inc.
Corey Alston, The Alston Group
Ralph Mervine, The Alston Group
Liz Feezor, Bank of New York Mellon Trust
Helen Feinberg, RBC Capital Market
Jeff DeCarlo, Adorno & Yoss
Patt Denihan, eHousing
Jose Saumell, MSA Association
Phil Harloff, Raymond James & Assoc.
Lorri Hall, City of Miramar
Matt Wood, Cooper City
Dwayne L. Dickerson, Ruden McClosky
George Niarchos, The Miller Group

A regular Board meeting of the Housing Finance Authority of Broward County, Florida was held on Wednesday, March 11, 2009, at 110 NE 3rd Street, Suite 201, Fort Lauderdale, Florida. Chair, Donna Jarrett, called the meeting to order at 5:35 pm.

A Roll Call was taken and a quorum declared.

INTRODUCTION OF NEW BOARD MEMBER, Mr. Robert McKinzie, Jr.

The Chair of the HFA Board, Ms. Jarrett, introduced and welcomed Mr. Robert McKinzie Jr. to the HFA. Mr. Stone stated that Mr. McKinzie was appointed by Commissioner Rodstrom on February 22, 2009. Mr. Stone asked the Professional Team to introduce themselves.

PLAQUE PRESENTATION – Thomas McDonald

Ms. Jarrett presented a plaque to Mr. Thomas McDonald on behalf of the HFA and thanked him for his services to the HFA from 1994 to 2008. Mr. McDonald thanked the Board as well as Mr. Stone, Mr. Howard and the Professional Team for their professionalism.

CONSENT AGENDA

1. Approval of February 11, 2009 Regular Meeting Minutes
2. Executive Report
3. Finance Reports

There was a lengthy discussion among Mr. Orvieto, Mr. Howard, Mr. Stone, Ms. Denihan, Ms. Feinberg, Mr. Harloff, Ms. Zomermaand, and Mr. Frohme regarding the implication to the HFA of two (2) foreclosures reported. Mr. Frohme mentioned he forwarded a couple of questions about the financial statements to Mr. Howard, which he responded accordingly. Mr. Frohme had an additional comment regarding the collectability of various receivables and whether we should have reserves for those to which Ms. O'Donnell stated there were only a few notes outstanding, and most of them do not have payments due for a few years; the MODCO's note does have scheduled payments, and they are making them in a timely manner. She agreed that if information is received that casts doubt on the collectability of any outstanding note, a reserve will be recorded.

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

4. 2009 Multifamily Development Project Applications

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. There was a lengthy discussion among Mr. Orvieto, Mr. Thurston, Mr. Stone, Mr. Lopez, Mr. Pfeffer, and Ms. Zomemaand regarding where the demand for low income housing was higher within Broward County, as well as which developers would require S.A.I.L. funding and if they all were ready to start building.

Ms. Jarrett recommended that developers give a five-minute presentation, which should include information on whether they would require S.A.I.L. funding and their level of preparedness.

The developers made their presentations, followed by a question and answer period between the Board members and the developers.

At the conclusion of the six (6) presentations, the Board members voted, giving one (1) point to the number one project, two (2) points to the number two project, and so forth. The ranking results were as follows:

- I. Heritage Plaza @ Sistrunk (18 points)
- II. Monterra Apartments (22 points)
- III. Foxtrox Apartments (23 points)
- IV. Atlantic Station Apartments (29 points)
- V. Alston Villas Apartments (35 points)
- VI. Atlantic Gardens Apartments (41 points)

On a motion by Mr. Orvieto, seconded by Mr. Lopez, the ranking of the 2009 Multifamily Projects was unanimously approved.

Ms. Zomemaand asked the Board authorization for the TEFRA Hearings as well as the Inducement Resolutions, to include development fees to be paid within seven (7) business days.

On a motion by Mr. Lopez, seconded by Mr. McKinzie, authorization for the TEFRA Hearings as well as the Inducement Resolutions was unanimously approved.

5. Single Family Action Item – Sale of GNMA and/or Fannie Mae Certificates

Ms. Zomemaand requested Board approval of a Resolution and execution and delivery of a 1) Purchase Contract and 2) Escrow Deposit Agreement and to take such other action as necessary to allow for the sale of GNMA and/or Fannie Mae Certificates (the "Certificates") the proceeds of which will be used to defease outstanding Single Family Revenue Bonds, Series 1999A and Series 1999B; pay fees and expenses of the transaction not to exceed \$42,750; and distribute surplus funds to the Authority.

A motion by Mr. Orvieto, seconded by Mr. Lopez, for approval of a Resolution and execution and delivery of a 1) Purchase Contract and 2) Escrow Deposit Agreement and to take such other action as necessary to allow for the sale of GNMA and/or

Fannie Mae Certificates (the "Certificates") the proceeds of which will be used to defease outstanding Single Family Revenue Bonds, Series 1999A and Series 1999B; pay fees and expenses of the transaction not to exceed \$42,750; and distribute surplus funds to the Authority was unanimously approved.

6. Sailboat Bend Project (i.e. Artspace Project)

Mr. Stone and Mr. Pfeffer gave a brief history on the project and also stated that the County has requested the HFA to act as an intermediary on this deal, whereas the County will transfer \$428,000 to the HFA and, in turn, the HFA will sign a Pledge Agreement, which will be signed by Artspace, too. There was a lengthy discussion among Mr. Dorsey, Mr. Frohme, Mr. Lopez, Mr. Orvieto, Mr. Pfeffer, Ms. Smith, and Ms. Zomermaand in regards to the repercussion to the HFA, if Artspace defaults this loan.

A motion by Mr. Thurston, seconded by Ms. Smith to approve a Pledge and Assignment of Interest in Developer Fee Agreement between the Housing Finance Authority of Broward County (the "HFA") and Artspace Projects, Inc. and a Letter Agreement between Broward County and the HFA and to authorize staff to take all necessary actions to implement the terms of said agreements was passed six (6) to two (2), as follows:

Ayes: Ms. Jarrett, Mr. Frohme, Mr. McKinzie, Mr. Orvieto, Ms. Smith and Mr. Thurston

Nays: Mr. Dorsey and Mr. Lopez

INFORMATION ITEMS

7. HFA 110 Building - Mortgage

Mr. Howard stated the Board had requested staff to research the mortgage terms on the 110 building and had contemplated liquidating that mortgage. He also explained that the current mortgage rate is 4% and the return on our investment yields 3.9%. Mr. Thurston mentioned that he thought that the HFA had most of their investments on government securities that yielded less than 1% but now that the Board is being informed that the bulk of the investments with Kapus Investment Management yields 3.9%, he agrees this is not the best time to make any changes.

8. Single Family Bond Program - Master Servicer

Ms. Zomermaand mentioned that at the last meeting, the Board approved an RLI for Master Servicer since there was uncertainty on whether our current Master Servicer, CitiMortgage, will still be in business. Staff has received three (3) responses to the RLI and has also received a letter from CitiMortgage; therefore, Staff recommends deferring the ranking of these applications until we receive further information from CitiMortgage.

10. **MATTERS FROM THE FLOOR**

11. **NEXT BOARD MEETING**

April 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.