

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
October 30, 2015**

TIME: 8:30 a.m.

LOCATION: Tallahassee City Hall Commission Chambers
300 S. Adams Street
Tallahassee FL

BOARD MEMBERS PRESENT:

Barney Smith, Chairman
Natacha Munilla, Vice Chair
Renier Diaz de la Portilla
Ray Dubuque
John Hawthorne
Brian Katz
Bill Killingsworth
Len Tylka
Howard Wheeler

CORPORATION STAFF PRESENTING:

Stephen P. Auger
Hugh Brown
Barbara Goltz
Ken Reecy
David Westcott

OTHERS PRESENTING:

None

Chairman Smith called the meeting to order at 8:30 a.m.

MINUTES

Item A, Approval of Minutes of the September 18, 2015, Board Meeting. Chairman Smith asked for a motion to approve the Minutes of the September 18, 2015, Board Meeting.

Motion to approve the Minutes was made by Mr. Hawthorne with a second by Ms. Munilla.
Motion passed unanimously.

FINANCE

Item A, 2016 Draft Operating Budget. Barb Goltz presented the 2016 draft Operating Budget to the Board for review before the December 11, 2015, Board Meeting, when it will be presented for approval. She asked the Board to contact her with any questions prior to the December meeting.

LEGAL

Item A, New Trinity Towers South Preservation Associates v. Florida Housing Finance Corporation.

Hugh Brown asked the Board to accept the consent agreement and direct staff to issue an order closing the New Trinity Towers South Preservation Associates v. Florida Housing file, as the petitioner agreed to voluntarily dismiss its petition.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Ms. Munilla.
Motion passed unanimously.

Item B, Resolution – Delegation of Signature Authority. Mr. Brown stated that Resolution 2015-35 grants Florida Housing's general counsel and executive director the authority to resolve certain cases before trial. He added that it also enables the general counsel to accept service of process. He stated that although he believes the general counsel and executive director have the authority without a resolution, he asked the Board to approve the resolution so it will be codified in writing.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Ms. Munilla.
Motion passed unanimously.

Item C, Orders of Ineligibility. Mr. Brown reminded the Board that three developers/principals recently pled guilty to allegations of fraud in federal court in regard to their participation in Florida Housing's programs. Accordingly, he asked the Board to issue orders imposing the maximum penalty allowed by statute, which is two years of ineligibility to participate in Florida Housing programs, on Gonzalo DeRamon, Michael Cox and Matthew Greer. He stated that any pending transactions the three individuals had any interest in were being restructured to remove them.

Motion to approve staff's recommendation was made by Ms. Munilla with a second by Mr. Wheeler.

Chairman Smith asked if the Board has the authority to apply a harsher penalty than the two-year time out. Mr. Brown stated that the maximum two year time out is in the statute, so the Board had no authority to make it longer.

Steve Auger stated that staff is in talks with legislators to change the statutory limit of two years to make the penalty harsher in such circumstances, and the legislators seem to be receptive to the idea.

Motion passed unanimously.

MULTIFAMILY PROGRAMS

Item A, 2016 Rule Development. Ken Reecy asked the Board to authorize staff to begin the rule development process for Rule Chapters 67-21, 67-48 and 67-60, Florida Administrative Code.

Motion to approve staff's recommendation was made by Mr. Hawthorne with a second by Mr. Katz. Motion passed unanimously.

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Request for Proposals (RFP) 2015-02, Enterprise Payroll/Human Resources System. Barb Goltz stated that over a year ago the Board authorized staff to issue a solicitation for an enterprise payroll/human resources system, and staff took the additional step of going out with an RFI to understand better what systems were out there in the market before writing the specs for the RFP. She stated that four vendors gave demonstrations, and from those demonstrations, staff wrote the specs for the RFP. She asked the Board to authorize staff to enter into contract negotiations with Pay Checks, Inc., the only respondent to the RFP, to provide an enterprise payroll/human resources system, and should negotiations fail, to authorize staff to issue another competitive solicitation for these services.

Motion to approve the staff's recommendation was made by Mr. Hawthorne with a second by Mr. Tylka.

Mr. Tylka asked if the review committee determined why there was only one proposal received. Ms. Goltz said they did not, but from the RFI process, staff found they were broadly different in many ways and Pay Checks was certainly near the top, but they were all good proposals.

Mr. Tylka stated that if an RFP tended to favor one vendor's operation more than another vendor's operation, that's why the question comes up. Ms. Goltz stated that staff was concerned about that, but she believes there was no one vendor favored as staff wrote the specs for the RFP.

Mr. Dubuque asked if staff can go back and ask why vendors did not submit proposals. Ms. Goltz stated that once the award is made, that is possible, but not before. Mr. Auger added that staff will certainly do that homework and reach out to the other vendors.

Ms. Munilla asked if it was just for a period of one year. Ms. Goltz stated that it was the intent to get into a long-term relationship so it is not changing very often. Mr. Auger stated that staff would write the contract to have the option to get out of the contract.

Mr. Wheeler questioned the wisdom of going ahead with the only vendor that submitted a proposal. Mr. Auger stated that if it had been done in a one-step process and an RFA was issued expecting to get four or five results and only one was received, that would be a concern, but the two-step process produced four results, which gave staff a chance to sit down and go through and talk to those folks and if the review committee was then not happy with the one vendor that responded, staff would have recommended to go back out.

Chairman Smith asked if the results could be thrown out, allowing staff to start the process over again. Mr. Brown stated all bids could be rejected, which would trigger the rights of the sole bidder to file a protest.

Mr. Hawthorne asked if there was a significant difference in what was asked for now versus what was asked for before. Ms. Goltz stated that there was not, and that a lot was learned through the RFI process and staff did not change the direction of the RFP.

Motion passed by a vote of 7-2, with Mr. Wheeler and Mr. Dubuque casting the dissenting votes.

Item B, Request for Qualifications (RFQ) 2015-04, Special Counsel Services. Hugh Brown stated that four responses were received to RFQ 2015-04 for special counsel services and asked the Board to authorize staff to enter into contract negotiations with all four respondents for special counsel services for multifamily financing; to enter into contract negotiations with Nabors, Giblin and Latham, Shuker, Eden & Beaudine for special counsel services for single family bonds; and to enter into contract negotiations with Nabors, Giblin and Latham, Shuker, Eden & Beaudine for special counsel services for the Guarantee Program.

Motion to approve the staff's recommendation was made by Ms. Munilla with a second by Mr. Tylka. Motion passed unanimously.

Item C, Request for Qualifications (RFQ) 2015-05, Technical Assistance Provider Services for the Predevelopment Loan Program, Demonstration Loans, and other Florida Housing Programs. Steve Auger asked the Board to authorize staff to enter into contract negotiations with Capital Access, Inc., Corporation for Supportive Housing, Inc., and the Florida Housing Coalition, the three respondents to the RFQ, to provide technical assistance for the Predevelopment Loan Program, Demonstration Loans and other Florida Housing programs.

Motion to approve the staff's recommendation was made by Mr. Tylka with a second by Ms. Munilla. Motion passed unanimously.

SINGLE FAMILY BONDS

Item A, Single Family Homeownership Program. Barb Goltz asked the Board to approve the necessary funding, including reimbursable amounts to provide funding between bond issues, staff actions, and the resolution to permit the issuance of the proposed 2016 phase one homeowner mortgage revenue bonds.

Motion to approve the staff's recommendation was made by Mr. Tylka with a second by Mr. Wheeler. Motion passed unanimously.

CONSENT AGENDA

Chairman Smith asked for a motion to approve the items on the Consent Agenda, with the exception of Special Assets Item L, Lenox Court, which was pulled from consideration.

Motion to approve the remaining items on the Consent Agenda was made by Mr. Tylka with a second by Mr. Dubuque. Motion passed unanimously.

Chairman Smith thanked Bill Killingsworth for his service to the Board as the Department of Economic Opportunity liaison for the last two years and wished him well in his new position as the City of Jacksonville's Director of Planning and Development.

PUBLIC COMMENT

No public comment was offered.

Chairman Smith adjourned the meeting at 9:25 a.m.