

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
January 27, 2023**

TIME: 8:30 a.m.

LOCATION: Hilton Sandestin
4000 S. Sandestin Blvd.
Miramar Beach FL

BOARD MEMBERS PRESENT:

Mario Facella, Chairman
Ryan Benson, Vice Chairman
Larry Cretul
David Hall
Meredith Ivey
Ron Lieberman
Dev Motwani

CORPORATION STAFF PRESENTING:

Angie Sellers
Hugh Brown
Marisa Button
Sheila Freaney
Trey Price
David Westcott

OTHERS PRESENTING:

Jim Boyd, Royal American Development
Mark Fredericks, AmeriNat
Ben Johnson, Seltzer Management

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

Chairman Facella asked Sheila Freaney to call the roll.

Ms. Freaney called the roll. Present were Mario Facella, Ryan Benson, Ron Lieberman, Larry Cretul, David Hall, Dev Motwani, and Meredith Ivey. Sandra Einhorn was absent.

PUBLIC COMMENT

No public comment was offered.

Chairman Facella introduced and welcomed new Board Members Meredith Ivey, the Acting Secretary of the Department of Economic Opportunity, and Larry Cretul.

MINUTES

Item A, Approval of Minutes of the December 9, 2022, Board Meeting. Chairman Facella asked for a motion to approve the Minutes of the December 9, 2022, Board Meeting.

Motion to approve the Minutes was made by Mr. Benson with a second by Mr. Hall. Motion passed unanimously.

CONSENT AGENDA

Chairman Facella asked for a motion to approve the items on the Consent Agenda.

Motion to approve the items on the Consent Agenda was made by Mr. Lieberman, with a second by Mr. Motwani. The motion passed unanimously.

AUDIT COMMITTEE UPDATE

Ryan Benson updated the Board on the Audit Committee meeting held on January 26, 2023. He reported that the Committee heard a presentation by John DiSanto, a partner with Ernst & Young, who outlined the audit plan for the 2022 Florida Housing financial audit. He reported that the performance evaluations of the Inspector General and Executive Director were discussed and the Office of Inspector General charter was approved.

Chairman Facella clarified an item discussed at the Audit Committee stating that there was confusion as to a salary increase for Executive Director Trey Price, and made a motion to approve an 8.5% salary increase.

Motion to approve an 8.5% salary increase for Trey Price was made by Chairman Facella with a second by Mr. Benson. The motion passed unanimously.

LEGAL

Item A – Citadelle Village, LLC. Hugh Brown asked the Board to grant Citadelle Village’s request for a waiver of Rule 67-48.0072 (21) (b) to obtain an extension of its firm loan commitment deadline to June 26, 2023.

Motion to approve staff’s recommendation was made by Mr. Ron Lieberman with a second by Mr. Hall.

Jim Boyd, of Royal American Development, spoke to the Board to assure them another extension would not be necessary.

Motion passed unanimously.

MULTIFAMILY PROGRAMS

Item A, Request Approval of Review Committee Recommendations for RFA 2022-101 SAIL Financing for the Preservation of Elderly Developments. Marisa Button asked the Board to approve the review committee’s recommendation that the Board adopt the scoring results of the three applications received in response to RFA 2022-101 for SAIL Financing for the Preservation of Elderly Developments and authorize the tentative selection of one application for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to enter credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She stated that after funding the eligible application, there will be no remaining funding.

Motion to approve staff’s recommendation was made by Mr. Lieberman with a second by Mr. Hall. The motion passed unanimously.

Item B, Request Approval of Review Committee Recommendations for RFA 2022-201 Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. Marisa Button asked the Board to approve the review committee’s recommendation that the Board adopt the scoring results of the 52 applications received in response to RFA 2022-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties and authorize the tentative selection of eight applications for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to enter credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She stated that after funding the eligible application, there will be \$431,903 in housing credit funding remaining, and as the RFA provides, any remaining funding would be distributed as approved by the Board; however, staff currently has no recommendation for that funding and will wait until the conclusion of all litigation relative to the 9% credits before coming back with a recommendation.

Motion to approve staff’s recommendation was made by Mr. Hall with a second by Mr. Lieberman. The motion passed unanimously.

Item C, Request Approval of Review Committee Recommendations for RFA 2022-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the 15 applications received in response to RFA 2022-202 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach and Pinellas Counties and authorize the tentative selection of six applications for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to enter credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She stated that after funding the eligible application, there will be \$345,000 in housing credit funding remaining, and as the RFA provides, any remaining funding would be distributed as approved by the Board; however, staff currently has no recommendation for that funding and will come back to the Board with a recommendation.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Mr. Hall. The motion passed unanimously.

Item D, Request Approval of Review Committee Recommendations for RFA 2022-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the 29 applications received in response to RFA 2022-203 for Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County and authorize the tentative selection of two applications for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to enter credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She stated that after funding the eligible application, there will be \$323,530 in housing credit funding remaining, and as the RFA provides, any remaining funding would be distributed as approved by the Board; however, staff currently has no recommendation for that funding and will come back to the Board with a recommendation.

Motion to approve staff's recommendation was made by Mr. Hall with a second by Mr. Motwani. The motion passed unanimously.

Item E, Request Approval of Review Committee Recommendations for RFA 2022-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the 46 applications received in response to RFA 2022-205 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits and authorize the tentative selection of ten applications for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to enter credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She stated that after funding the eligible application, there will be \$666,702 in SAIL funding remaining, and as the RFA provides, any remaining funding would be distributed as approved by the Board; however, staff currently has no recommendation for that funding and will come back to the Board with a recommendation.

Motion to approve staff's recommendation was made by Mr. Hall with a second by Mr. Motwani. The motion passed unanimously.

Item F, 2023 Rule Development. Marisa Button asked the Board to authorize staff to proceed with the 2023 Rule Development process.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Mr. Hall. The motion passed unanimously.

Item G, Request Approval to Amend the CHIRP 2022 ITP to Extend the Deadline to Close the Limited Partnership Agreements. Marisa Button ask the Board to approve staff's recommendation to extend the deadline for the closing of the CHIRP limited partnership agreements to March 10, 2023, putting them in line with the closing deadline for additional loan funding in the CHIRP Program.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Mr. Benson. The motion passed unanimously.

Item H, Request Approval to Issue an Invitation to Participate in the 2023 Construction Housing Inflation Response Program. Marisa Button asked the Board to table this item pending the resolution of Senate Bill 102 which was recently filed.

Motion to approve staff's recommendation was made by Mr. Benson with a second by Mr. Motwani. The motion passed unanimously.

Item I, Request Approval to Issue a Request for Applications for the Rental Recovery Loan Program (RRLP). Marisa Button asked the Board to authorize staff to proceed with the development of an RFA for Rental Recovery Loan Program funding.

Motion to approve staff's recommendation was made by Mr. Benson with a second by Mr. Hall. The motion passed unanimously.

HOME PROGRAM DEVELOPMENT UPDATE

Item A, Village Springs. David Westcott asked the Board to approve staff's recommendation to enter negotiations with PNB Community Bank for the purchase of their first mortgage note on Village Springs, and for the Board to delegate authority to the Chairman to approve the terms of such purchase or agreement that they may be able to reach with PNB on the purchase of the first mortgage note. Additionally, he asked the Board to authorize staff to issue any competitive solicitations that may be needed to protect Florida Housing's interest in the property and to move toward a successful outcome for the development.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Chairman Facella.

Chairman Facella briefed the Board on his visit to the site with staff and acknowledged that further due diligence was warranted to make an informed decision regarding the appropriate action plan. Staff was directed to engage an engineer to assess the current condition of the property as well as to perform a plan and cost review. Outside counsel has already been engaged to assess and advise on Florida Housing's rights and potential remedies.

Mr. Benson expressed his concerns over the desperate need for affordable housing in the area while balancing his concerns over the costs involved in purchasing the \$1.1 million first mortgage combined with the \$1.8 million outstanding HOME loan. Mark Fredericks, of AmeriNat, informed the Board that the current, as is, appraised value of Village Springs was \$2.5 million.

Motion failed.

David Westcott asked the Board to authorize staff to pursue all options that may be available to best protect Florida Housing's interest, including the purchase of the mortgage note from the first mortgage lender, and for the Board to delegate authority to the Chairman to approve the final course of action chosen if that needs to be decided prior to the next Board Meeting.

Motion to approve staff's recommendation was made by Mr. Motwani with a second by Ms. Ivey. The motion passed by a vote of 7 to 1 with Mr. Benson casting the dissenting vote.

Item B, Willie Downs. David Westcott informed the Board of another HOME rental development involving GHD Construction Services (GHD), the same co-developer of Village Springs. Highlands County Housing Authority is GHD's co-developer of Willie Downs and declared the contractor in default. Notice was provided to the surety and borrower is getting quotes from general contractors to complete the development.

Ben Johnson, of Seltzer Management, advised the Board they've ordered an appraisal and a physical needs assessment to assess the quotes for construction completion. The construction inspection report from over two years ago indicated the development was 95% complete; however, the preliminary results of a more recent inspection indicate there is more than 5% more for construction completion. Final construction inspection results should be available within the next 30 days.

PROFESSIONAL SERVICES SELECTION

Item A, Competitive Solicitation for Guaranteed Investment Contract (GIC) Broker Services. Angie Sellers asked the Board to authorize staff to proceed with the issuance of a competitive solicitation for guaranteed investment contract brokers.

Motion to approve staff's recommendation was made by Mr. Motwani with a second by Mr. Hall. The motion passed unanimously.

Item B, Contract Renewals for Arbitrage Rebate Analyst Services. Angie Sellers asked the Board to authorize staff to proceed with a three-year renewal option for both BLX Group, LLC, and Hawkins, Delafield & Wood, LLP, for arbitrage and analyst services as permitted in their current contracts.

Motion to approve staff's recommendation was made by Mr. Motwani with a second by Mr. Lieberman. The motion passed unanimously.

Item C, Contract Renewals for Single Family Cash Flow Provider Services. Angie Sellers asked the Board to authorize staff to proceed with a three-year renewal option for both RBC Capital Markets, LLC, and Caine Mitter & Associates, LLC, for single-family cash flow provider services as permitted in their current contracts.

Motion to approve staff's recommendation was made by Mr. Hall with a second by Mr. Lieberman. The motion passed unanimously.

Item D, Single Source Procurement for a Davis-Bacon Software Solution. David Westcott asked the Board to authorize staff to enter into a one-year single-source contract with Elations Systems, Inc., for their Davis-Bacon Software Solution product.

Motion to approve staff's recommendation was made by Mr. Lieberman with a second by Mr. Hall. The motion passed unanimously.

PUBLIC COMMENT

No public comment was offered.

Chairman Facella presented outgoing Executive Director Trey Price with a plaque and thanked him for his years of service to Florida Housing. Mr. Price thanked the Board, staff and stakeholders.

Chairman Facella reminded attendees about the special Board Meeting on February 10, 2023, in Fort Lauderdale to meet with and appoint Michael DiNapoli as the new Executive Director.

Chairman Facella adjourned the meeting at 10:11 a.m.