

Clearwater, Florida, October 5, 2006

The Housing Finance Authority of Pinellas County (as created by the Code of Ordinances of Pinellas County, Section 2-386) met in regular session in the Housing Finance Authority Conference Room, Bank of America Building, 600 Cleveland Street, Clearwater, Florida at 3:00 P.M. on this date with the following members present:

Rodney S. Fischer, Chairman  
Tasker Beal, Jr., Vice-Chairman  
Mark T. Mahaffey, Secretary/Treasurer

Absent

Norris E. Counts, Assistant Secretary  
June Cullen, Assistant Secretary

Also Present

Anthony M. Jones, Director, Department of Community Development  
Deborah Halstead, Department of Community Development  
Fran Pheeny, Department of Community Development  
Deborah Berner, RBC Capital Markets  
Michael T. Cronin, Attorney, Johnson, Pope, Bokor, Ruppel & Burns, P.A.  
Tom Daly, Raymond James & Associates  
Robert Detjen, CSG Advisors Incorporated  
Corey Palmer, Broderick & Associates  
Joel Solomon, Broderick & Associates  
Marybeth Storts, Storts Development Group  
Other interested individuals  
MaryAnn Penhale, Deputy Clerk

AGENDA

1. CALL TO ORDER
2. APPROVAL OF MINUTES
  - A. Housing Finance Authority (HFA) Meeting Minutes of September 12, 2006
3. TREASURER'S REPORT
  - A. Financial Report August 2006
4. COMMUNICATIONS TO THE AUTHORITY
  - A. First Housing Occupancy Report for July 2006 – Anthony Jones

October 5, 2006

5. REPORTS BY OFFICERS AND OTHERS
  - A. Investment Pool Update – Anthony Jones
  - B. Proposal for Community Land Trust (CLT) Program and Training – Anthony Jones
  - C. Request for Proposal (RFP) for Multi-Family Loan Underwriting – Anthony Jones
  - D. SF Bond Program Update – Fran Pheeny
6. OLD BUSINESS
  - A. Discussion of Loan Products for 2006B Program – Anthony Jones
7. NEW BUSINESS
  - A. Consideration of a Resolution Providing for the Issuance of Not Exceeding \$21,000,000 Single-Family Housing Revenue Bonds (2006B)
  - B. Request for Negotiations #006-001 for Community Land Trust (CLT) Properties  
Request for Negotiations #06-003 for Community Land Trust (CLT) Properties – Anthony Jones
8. OTHER BUSINESS
  - A. Upcoming Meetings –  
October 9-11 – Sarasota International Design Summit – Sarasota – Anthony Jones Attending – <http://www.sarasotadesignsummit.com/>  
October 13 – Visioning Institute for Community Housing – Orlando – Anthony Jones Attending – <http://www.flcities.com/legislative/housing.asp>

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Next Meeting of the Authority – Election Day, November 7, 2006  
NALHFA Fall Educational Conference – November 14-17, 2006 -  
<http://www.halhfa.org/meetings/2006fallconf/>

9. ADJOURNMENT

### CALL TO ORDER

Chairman Fischer called the meeting to order at 3:00 P.M.

### MINUTES OF HFA MEETING OF SEPTEMBER 12, 2006 – APPROVED

Upon presentation by Chairman Fischer of the minutes of the HFA meeting of September 12, 2006, Mr. Beal moved, seconded by Mr. Mahaffey and carried, that the minutes be approved.

TREASURER'S REPORT – APPROVED

Mr. Beal presented the HFA financial statement for the month ended August 31, 2006, a copy of which has been filed and made a part of the record; whereupon, he moved approval of the report, seconded by Mr. Mahaffey and carried.

COMMUNICATIONS TO THE AUTHORITY

Mr. Jones presented the First Housing Occupancy Report for July 2006, a copy of which has been filed and made a part of the record; and presented a brief status report regarding Palmetto Park.

REPORTS BY OFFICERS AND OTHERS

Mr. Jones presented the investment pool update and noted that returns continue to increase slowly.

Mr. Jones stated that the Authority is charged with administering the Community Land Trust (CLT); and that funds have been budgeted for obtaining additional technical assistance; whereupon, he requested authorization to enter into negotiations with the Florida Housing Coalition for the provision of technical support and development of the CLT program for an anticipated cost of less than \$35,000. He added that the group which has been considering the proposal has asked for the addition of two items to the agreement; and that staff would like to be able to negotiate with the entity to add the additional items. Responding to query by Mr. Mahaffey, he explained the source of funding for the project from the housing trust fund allocation; and confirmed that receipt of the funds is expected in January. Following discussion, Mr. Mahaffey moved, seconded by Mr. Beal and carried, that the authorization be granted as requested.

Mr. Jones requested authorization to move forward with a Request for Proposal (RFP) for multi-family loan underwriting and review services; whereupon, he indicated that it might be more cost effective to hire a service provider rather than utilizing the services of existing staff. In response to query by Chairman Fischer, he confirmed that authorization of the request would not represent a commitment to move in that direction; but that it would result in obtaining information related to the cost and availability of such service; whereupon, Mr. Mahaffey moved, seconded by Mr. Beal and carried, that the authorization be granted as requested.

Ms. Pheeny advised the members that this will be her last meeting; whereupon, she presented the Single Family Program Update, a copy of which has been filed and made a part of the record; pointed out the continued heavy use of second mortgages; and noted that the average loan amount has gone down slightly to approximately \$137,000.

OLD BUSINESS

Mr. Jones referred to previous discussion at the September 12, 2006 meeting regarding loan products for the 2006B Program; and indicated that the members had requested additional information regarding a proposed 40-year fixed rate mortgage with interest only payments for the first ten years; whereupon, he stated that Mr. Counts had expressed concerns regarding the length of time involved for an individual to build equity in a unit and the amount of interest paid back over the entire term of the loan. He related that the majority of the loans are to individuals at 98 percent of median income and above; and that there is a need to serve a greater segment of the population at less risk to the Authority and at a reasonable risk to the borrower; whereupon, he referred to a document titled *HFA of Pinellas Loan Comparisons – Interest Only and 40 Year Mortgages*, a copy of which has been filed and made a part of the record, and stated that staff is proposing that a 30-year fixed rate mortgage with interest only payments for the first ten years (10-30) be utilized for one-third of the program; and that the traditional 30-year mortgages be utilized for the remaining two-thirds of the program. He referred to the four examples on the last page of the document; and Mr. Detjen explained the statistical comparisons and stated that the difference in the break even points for the 30-year and 10-30 year mortgages is only a few months; and that the proposed 10-30 year mortgage would reduce a homebuyer's monthly payment somewhat and allow an individual with slightly lower income to qualify for the program; whereupon, discussion ensued regarding the proposed 10-30 program, the other options shown in the comparison chart, and related matters.

NEW BUSINESS

RESOLUTION NO. 06-09 ADOPTED PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING \$21,000,000 HOUSING FINANCE AUTHORITY SINGLE FAMILY HOUSING REVENUE BONDS 2006 SERIES B, WITH ADDED STIPULATION

Mr. Detjen related that the language in the resolution will accomplish whatever program the Authority wishes to authorize or limit; and stated that it would be advantageous if the maker of the motion would include a recommendation with respect to the program selected; whereupon, Chairman Fischer stated that staff's recommendation would provide for \$7,000,000 in the 10-30 program with the balance of \$14,000,000 in the typical 30 year Federal National Mortgage Association (FNMA) 1997 type program. Responding to query by Mr. Mahaffey, Mr. Detjen discussed the ability to shift amounts in the programs; and following discussion, Mr. Beal moved, seconded by Mr. Mahaffey and carried, that Resolution No. 06-09 be adopted with the stipulation that the traditional 30-year mortgage be included as well as the proposed 10-30 mortgage program.

October 5, 2006

AUTHORIZATION GRANTED TO ENTER INTO NEGOTIATIONS WITH BRODERICK & ASSOCIATES, INC. RE REQUEST FOR NEGOTIATIONS (RFN) #06-001 FOR COMMUNITY LAND TRUST (CLT) PROPERTIES; AND WITH PINELLAS HABITAT FOR HUMANITY RE RFN #06-003 FOR CLT PROPERTIES

Mr. Jones presented two RFNs for CLT properties for the members' consideration; whereupon, he requested authorization to enter into negotiations with Broderick & Associates, Inc. regarding RFN #06-001; and stated that a finalized proposal would be presented to the Authority for consideration at the November or December meeting. Chairman Fischer related that the proposal is for the development of 29 multifamily rental units located at the northwest corner of Bryan Dairy Road and 66<sup>th</sup> Street North, including one, two, and three-bedroom apartments, with four units set aside for families earning 35 percent or below of area median income (AMI), four units for families earning 60 percent or below of AMI, and the remaining 21 units at market rate; whereupon, Mr. Jones added that the site is favorable for workforce housing because of its proximity to an industrial area. He discussed RFN #06-003 regarding two single-family lots located at the southwestern end of the Bayside Bridge in the High Point area; and related that Habitat for Humanity had been the only non-profit responder; and that the proposed development is for two single-family homes or possibly three townhomes.

Thereupon, Mr. Mahaffey moved, seconded by Mr. Beal and carried, that authorization be granted to enter into negotiations regarding RFN #06-001; and Mr. Mahaffey moved, seconded by Mr. Beal and carried, that authorization be granted to enter into negotiations regarding RFN #06-003.

OTHER BUSINESS

Mr. Jones referred to two upcoming meetings in October and related that he will be attending the Sarasota International Design Summit in Sarasota and the Visioning Institute for Community Housing in Orlando.

Ms. Halstead stated that Raymond James & Associates has invited the members to visit its art exhibit following the December 5 meeting.

Chairman Fischer stated that the next HFA meeting is scheduled for November 7; and reminded the members of the upcoming NALHFA Fall Educational Conference in New Orleans from November 14 through 17.

October 5, 2006

ADJOURNMENT

Upon motion by Mr. Beal, seconded by Mr. Mahaffey and carried, the meeting was adjourned at 3:56 P.M.

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Secretary/Treasurer