

Clearwater, Florida, February 4, 2015

The Housing Finance Authority (HFA) Board of Pinellas County (as created by the Code of Ordinances of Pinellas County, Section 2-386) met in regular session in the Swisher Building, 509 East Avenue South, Room 211, Clearwater, Florida, at 3:00 P.M. on this date with the following members present:

Rodney S. Fischer, Chairman
Norris E. Counts, Secretary/Treasurer
Casey Cane, Assistant Secretary
Robyn Fiel, Assistant Secretary

Not Present

Tasker Beal, Jr., Vice-Chairman

Also Present

Kathryn Driver, Executive Director, HFA
Karmen Lemberg, HFA Staff
Michael T. Cronin, Attorney, Johnson, Pope, Bokor, Ruppel & Burns, PA
Joe Athey, eHousing Plus
Sue Denihan, eHousingPlus
Debbie Berner, RBC Capital Markets
Barbara Clark, Barbara Clark & Company
Becky Clayton, University of South Florida, Florida Institute of Government
Linda Dufresne, Dufresne & Associates, CPA, PA
Anthony M. Jones, Bright Community Trust
Tom Shelly, Bright Community Trust
David Jones, CSG Advisors
Monique Spotts, Bryant Miller Olive, PA
Tim Wranovix, Raymond James
Other Interested Individuals
Michael P. Schmidt, Board Reporter, Deputy Clerk

AGENDA

1. CALL TO ORDER
2. PUBLIC COMMENTS
3. APPROVAL OF MINUTES
 - A. December 3, 2014 Meeting Minutes
 - B. November 5, 2014 Meeting Minutes

4. TREASURER'S REPORTS
 - A. November
 - (1) General Fund
 - (2) Housing Trust Fund
 - B. October
 - (1) General Fund
 - (2) Housing Trust Fund
 - C. September
 - (1) General Fund
 - (2) Housing Trust Fund
5. COMMUNICATIONS TO THE AUTHORITY
 - A. Transference of Servicing Rights – CitiMortgage
 - B. Tampa Bay Community Development Corporation Year End Report
6. REPORTS BY OFFICERS AND OTHERS
 - A. Audit – Linda Dufresne
 - B. HFA Operations Update – Kathryn Driver
 - C. Multi-Family Report – Kathryn Driver
 1. Multi-Family Occupancy Report
 - D. Single Family Report – Karmen Lemberg
 - E. Bright Community Trust Update – Anthony Jones
7. NEW BUSINESS
 - A. Board Appointment and Election of Officers
 1. Resolution
(Action Item – Rodney Fischer)
 - B. Executive Director Contract Negotiation
(Action Item – Mike Cronin)
 - C. CRED Grant
 1. Request Letter
 2. Annual Report
 3. 2014 CRED Program Matrix
 4. CRED Final Report
 5. Participant Evaluation Results
(Action Item – Kathryn Driver)
 - D. Barbara Clark & Company Contract
(Action Item – Kathryn Driver)
 - E. Policies of the Authority – Updated
 1. Redline showing updates to be made
 2. Clean version
(Action Item – Mike Cronin)
8. ADJOURNMENT

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Upcoming Events

Next Meeting – March 4, 2015, BCC Chamber
National Association of Local Housing Finance Authorities Educational Conference
April 29–May 2, 2015 – Epic Miami Hotel
Florida Association of Local Housing Finance Authorities Educational Conference
July 8–11, 2015 – Vinoy, St. Petersburg

CALL TO ORDER

Chairman Fischer called the meeting to order at 3:00 P.M., welcomed new Board member Casey Cane, and congratulated Mr. Counts on his reappointment for another four-year term.

PUBLIC COMMENTS – NONE

MINUTES OF HFA MEETINGS OF NOVEMBER 5 AND DECEMBER 3, 2014 – APPROVED

Upon presentation by Chairman Fischer of the minutes of the HFA meetings of November 5 and December 3, 2014, Mr. Counts moved, seconded by Ms. Fiel and carried, that the minutes be approved as submitted.

TREASURER’S REPORTS – APPROVED

Financial Report – General Fund – September, October, and November 2014

Mr. Counts presented the HFA General Fund financial statements for the months of September, October, and November 2014, copies of which have been filed and made a part of the record; whereupon, he reviewed the November Cash Roll Report and moved, seconded by Ms. Fiel and carried, that the reports be approved.

Financial Report – Housing Trust Fund – September, October, and November 2014

Mr. Counts presented the financial statements for the Housing Trust Fund for the months of September, October, and November 2014, copies of which have been filed and made a part of the record; whereupon, he reviewed the November Cash Roll Report and moved, seconded by Ms. Fiel and carried, that the reports be approved.

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COMMUNICATIONS TO THE AUTHORITY

Transference of Servicing Rights – CitiMortgage

Ms. Driver discussed correspondence received from CitiMortgage, reporting that the company has transferred its servicing rights on a Ginnie Mae bond to Carrington Mortgage Services; and that she will be in contact with the new firm.

Tampa Bay Community Development Corporation Year End Report

Ms. Driver reviewed the Tampa Bay Community Development Corporation document titled *Revolving Loan Usage Report* to the Housing Finance Authority, which has been included in the members' packets and made a part of the record, and related that it includes information regarding how those funds are being utilized.

REPORTS BY OFFICERS AND OTHERS

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Deviating from the agenda, Chairman Fischer related that Item No. 6B, HFA Operations Update, would be heard at this time.

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HFA Operations Update

Ms. Driver reported that the HFA now has a full board with the appointment of Mr. Cane and the reappointment of Mr. Counts. She extended early birthday wishes to Chairman Fischer, and related that Mr. Beal is now home from the hospital; whereupon, she provided an update on recent, ongoing, and upcoming activities, as follows:

- HFA staff will continue the search for an individual to replace former Chief Accountant Don Mello, Jr., and is also trying to fill a position to assist with the following upcoming special programs: Penny for Pinellas land assembly funds, Housing Trust Funds, and Neighborhood Stabilization Program (NSP) grants.
- Staff will continue to update HFA policies, procedures, rules, and requests for qualifications, and will continue to resolve outstanding billings.

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- HFA policies have been updated to comply with the January 1, 2015 update to the employer mandate provision of the Affordable Care Act.
- She is working on the HFA Annual Report and the Housing Trust Fund Annual Report to be provided to the County Commission; she assisted Ms. Dufresne with the HFA yearly audit.
- She had a legislative meeting with Senator Jeff Brandes regarding fully funding the Housing Trust Fund for next year; she is working closely with County staff regarding the Penny for Pinellas land assembly funds.

Ms. Driver referred to a document titled *Plymouth Plaza Office Building Lease Proposal to Pinellas County Housing Finance Authority from DCIP, LLC, February 2, 2015*, a copy of which has been filed and made a part of the record, and requested that the members approve the lease proposal so that she can acquire the necessary office space to accommodate additional staff. In response to queries by Mr. Counts, Ms. Driver confirmed that the lease will be for a five-year term; whereupon, he moved, seconded by Ms. Fiel and carried, that the five-year lease agreement be approved.

Multi-Family Program Update

Ms. Driver related that the Multi-Family Program Application was approved at the December 2014 HFA meeting; that it has been posted to the Authority's website; and that her office has been directing developers to the online information; whereupon, she reported that the November 2014 end-of-month occupancy figures are included in the agenda package; that her office is continuing to reach out to the developer community; and that Boca Ciega Apartments is expected to submit an application next week, and the apartment representatives have been informed they will need to submit their application in the new format and will be required to utilize underwriters chosen by the HFA going forward.

Single Family Program Update

Ms. Lemberg reported that Federal Home Loan Bank is currently holding \$8.7 million in new loans; that the Single Family Bond Program, Continuous Lending Program, did well during the holidays; that the HFA anticipates issuing another bond around May or June; and that the *Home for the Holidays* campaign resulted in 38 loans being registered between October 1 and December 31, 2014 and closed by January 12, 2015; whereupon, she related that the campaign's winning lenders will be invited to the March meeting to meet the Board members and to receive a special thank you, and Chairman Fischer provided input.

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Ms. Lemberg related that the December radio show, hosted by Ms. Driver and Jane Muhrlin, Community Revitalization, focused on theft and consumer issues; and that the January radio show, hosted by Ms. Muhrlin and herself, focused on home buying and the Pinellas County Land Trust; whereupon, she noted that the show can be viewed via a link from the HFA website.

Bright Community Trust (BCT) Update

Anthony Jones, Chief Executive, BCT, related that a report titled *Bright Community Trust Update* has been included as part of the agenda materials; and requested that the members contact Ms. Driver if they want him to make modifications to future reports; whereupon, he discussed BCT financial statements, and related that the organization ended the year in a slightly better cash position than anticipated.

Referring to a chart titled *Single Family Activity Dashboard*, Mr. Jones provided an inventory of properties held within BCT, discussed new construction and rehabilitation projects, and presented information regarding the number of closings where homeowners have utilized State Housing Initiatives Partnership Program funding or NSP grants; whereupon, he related that BCT has submitted the bid specification information regarding future projects to Ms. Driver for her review.

In response to comments and queries by Mr. Counts, Ms. Driver discussed the grant funding that has been conditionally promised to BCT, indicating that it is being provided in four installments of \$50,000 each on January 1, April 1, July 1, and October 1, 2015, subject to Board approval for each disbursement; and that the next \$50,000 request will be made at the March meeting; whereupon, Mr. Shelly related that in order for BCT to move forward and be sustainable without grant funds from the HFA, his organization will work toward increasing contributions and reducing expenses, will further discuss the matter at its next meeting, and will provide a plan of action to the HFA, and Mr. Counts expressed his ongoing concerns regarding the grant funding.

NEW BUSINESS

RESOLUTION NO. 2015-01 ADOPTED RATIFYING AND APPROVING THE APPOINTMENT OF OFFICERS OF THE HFA OF PINELLAS COUNTY

Mr. Counts moved, seconded by Ms. Fiel and carried, that the officers continue to serve in their current capacity for Calendar Year 2015, as follows:

Rodney S. Fischer, Chairman
Tasker Beal, Jr., Vice-Chairman
Norris E. Counts, Secretary/Treasurer
Robyn Fiel, Assistant Secretary
Casey Cane, Assistant Secretary

Staff Designated as Officers

Kathryn Driver, Executive Director, Assistant Secretary
Karmen Lemberg, Program Administrator, Assistant Secretary

Executive Director Contract Negotiation

In response to a request by Attorney Cronin, Chairman Fischer volunteered to assist him in reviewing information pertaining to the contract; whereupon, Attorney Cronin related that he would return with a recommendation regarding future compensation for the Executive Director; and pointed out that much of the information regarding the contract negotiations had been discussed during the members' strategic planning session.

Community Real Estate Development Grant

Ms. Driver presented background information regarding the Community Real Estate Development (CRED) Program, a program coordinated through the Florida Institute of Government at the University of South Florida, and indicated that the program is worthwhile, provides valuable training for the upcoming generation of community developers, and should continue to receive its annual financial contribution by the Authority; whereupon, Ms. Clayton referred to a document titled *CRED Tampa Bay 2014 Annual Report*, a copy of which has been filed and made a part of the record, and presented highlights of the CRED program.

Following brief discussion, Mr. Counts moved, seconded by Ms. Fiel and carried, that the Authority provide \$35,000 in funding for the 2015 CRED program.

Barbara Clark & Company Contract

Ms. Driver presented background information regarding the item and indicated that a full-time staff person is needed to provide accounting services to the Authority. She related that after being introduced to and speaking with Ms. Clark and receiving positive references, she would like the Board to approve the draft contract to engage the services of Barbara Clark & Company; whereupon, she related that Kim Balaskiewicz has been providing

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accounting services for the Authority over the past few years and will assist Ms. Clark as she transitions into the Chief Financial Officer role.

Ms. Clark introduced herself and briefly discussed her work history; whereupon, Mr. Counts expressed his confidence in her abilities and moved, seconded by Ms. Fiel and carried, that the draft contract be approved.

Policies of the Authority

Attorney Cronin referred to a document titled *Policies of the Housing Finance Authority of Pinellas County* and related that Ms. Driver has revised the policy to reflect the HFA being a separate and distinct entity from the County; that the document will likely be revisited on an annual basis; and that “clean” and “redline” versions of the document have been included in the agenda materials; whereupon, in response to queries by Chairman Fischer, Ms. Driver confirmed that future HFA meetings will take place in the County Commission Assembly Room.

Following brief discussion, Attorney Cronin requested that the members approve the revised policies and procedures for 2015; whereupon, Mr. Cane moved, seconded by Ms. Fiel and carried, that the request be approved.

REPORTS BY OFFICERS AND OTHERS (Continued)

Annual Audit Report – Accepted

Referring to the documents in the member packet, copies of which have been filed and made a part of the record, Ms. Dufresne reviewed the audit report for the year ended September 30, 2014, indicating that it is the auditor’s opinion that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the Authority.

Ms. Dufresne pointed out that Bright Community Trust was included as a blended component unit on the September 30, 2013 HFA financial statements; that in accordance with applicable professional standards, BCT no longer meets the criteria to be included as a blended component unit; that it is appropriately included as a discretely presented component unit in the September 30, 2014 HFA financial statements; and that it will be completely removed from the financial statements next year; whereupon, she indicated that the report is unqualified, meaning

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that the financial statements are materially correct in accordance with generally accepted accounting principles; that the audit had identified no material weaknesses in internal control over financial reporting; and that there were no difficulties in performing the audit, nor disagreements with management.

Ms. Dufresne thanked staff for their cooperation during the audit process, and responding to queries by Mr. Counts, presented further information regarding the blended component unit and the discretely presented component unit with respect to the 2013 and 2014 financial statements; whereupon, she discussed proper auditing procedures, explaining why she cannot perform an audit of the Authority's internal controls.

Thereupon, Mr. Cane moved, seconded by Ms. Fiel and carried, that the Annual Audit Report prepared by Dufresne & Associates for the year ended September 30, 2014 be accepted.

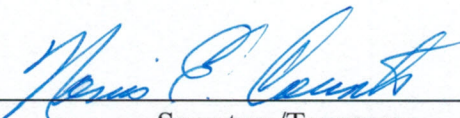
OTHER BUSINESS

During discussion and in response to comments and queries by Chairman Fischer, Ms. Driver reported that the Florida Association of Local Housing Finance Authorities 2015 Annual Educational Conference will be held in St. Petersburg during July; that the Pinellas County HFA will be hosting the event; that she will bring information to the March meeting regarding the HFA potentially contributing \$5,000 to help sponsor the conference; and that the event is a great educational opportunity.

Ms. Driver reminded the members that the National Association of Local Housing Finance Authorities 2015 Annual Educational Conference will take place from April 29 to May 2 in Miami and requested that the members notify Ms. Lemberg of their intent to attend the conference by the third week in March so she can make the appropriate arrangements.

ADJOURNMENT

Upon motion by Mr. Counts, seconded by Ms. Fiel and carried, the meeting was adjourned at 3:52 P.M.


Secretary/Treasurer