

Clearwater, Florida, April 1, 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 County Commission Assembly Room, Pinellas County Courthouse, 315 Court Street, 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
Sheri Harris, HFA Staff
Debbie Berner, RBC Capital Markets
Michael T. Cronin, Attorney, Johnson, Pope, Bokor, Ruppel & Burns, PA
Sue Denihan, eHousingPlus
Helen Feinberg, RBC Capital Markets
Anthony M. Jones, Bright Community Trust
David Jones, CSG Advisors
Donald Peterson, Raymond James
Tom Shelly, Bright Community Trust
Monique Spotts, Bryant Miller Olive, PA
Tim Wranovix, Raymond James
Other Interested Individuals
Jenny Masinovsky, Board Reporter, Deputy Clerk

AGENDA

1. CALL TO ORDER
2. PUBLIC COMMENTS
3. APPROVAL OF MINUTES – none

4. TREASURER'S REPORTS
 - A. General Fund
 1. February 2015
 2. January 2015
 - B. Housing Trust Fund
 1. February 2015
 2. January 2015
5. COMMUNICATIONS TO THE AUTHORITY
 - A. Audit of Housing Finance Authority Long-Term Obligations
 - B. Dufresne & Associates, CPA, PA
 - C. Tampa Bay Community Development Corporation Usage Report
6. REPORTS BY OFFICERS AND OTHERS
 - A. HFA Operations Update – Kathryn Driver
 - B. Multi-Family Report – Kathryn Driver
 1. Occupancy Report
 - C. Single Family Report – Karmen Lemberg
 - D. Bright Community Trust – Anthony Jones
7. NEW BUSINESS
 - A. Recommendation for Grant Funding for Bright Community Trust
 1. Memo
(Action Item – Kathryn Driver)
 - B. Recommendation for Potential Excess MBS Pool Purchases or Sales
 1. Memo
 2. Resolution
(Action Item – Kathryn Driver)
 - C. Boca Ciega Apartments – Amendment to Declaration of Official Intent
 1. Memo
 2. Resolution
(Action Item – Kathryn Driver)
 - D. Annual Reports to Board of County Commissioners
 1. HFA
 2. Housing Trust Fund
(Action Item – Kathryn Driver)
 - E. Recommendation of RFQ Subcommittee – Underwriting Team
(Action Item – David Jones)
 - F. Appointment of Disclosure Counsel
(Action Item – Mike Cronin)
8. ADJOURNMENT

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Upcoming Events

Next Meeting – May 6, 2015, BCC Chamber
National Association of Local Housing Finance Authorities (ALHFA) Educational Conference
April 29–May 2, 2015 – Epic Miami Hotel
Florida Association of Local Housing Finance Authorities (ALHFA) Educational Conference
July 8–11, 2015 – Vinoy, St. Petersburg

CALL TO ORDER

Chairman Fischer called the meeting to order at 3:00 P.M. A sign-in sheet has been filed and made a part of the record.

PUBLIC COMMENTS – NONE

APPROVAL OF MINUTES – NONE

Chairman Fischer indicated that the minutes of the previous meetings were not available in time to be included with the agenda packet and would be added to the next agenda.

TREASURER'S REPORTS (FEBRUARY) – APPROVED

Financial Report – General Fund – February 2015

Mr. Counts presented the HFA General Fund financial statements for the month of February 2015, and upon reviewing the Cash Roll Report, noted that this is the last month the service charge should appear; whereupon, he moved, seconded by Ms. Fiel and carried, that the General Fund financial report be approved.

Financial Report – Trust Fund – February 2015

Mr. Counts presented the Housing Trust Fund financial statements for the month of February, and upon reviewing the Cash Roll Report, commented on the \$90 service charge and noted that the bank paid \$4 in interest on the \$150,000 balance; whereupon, he moved, seconded by Mr. Cane and carried, that the Trust Fund financial report be approved.

TREASURER'S REPORTS (JANUARY) – NOT ADDRESSED

COMMUNICATIONS TO THE AUTHORITY

Audit of Housing Finance Authority Long-Term Obligations

Ms. Driver reviewed the *Audit of Housing Finance Authority Long-Term Obligations* prepared by the Division of the Inspector General, Ken Burke, Comptroller for Pinellas County, dated February 26, 2015, and responding to queries by Chairman Fischer, indicated that the report lists the auditors' concerns and the HFA responses; and that the auditors discussed the portrayal of data in the audit and the industry auditing standards with Linda Dufresne, Dufresne & Associates, and David Jones, CSG Advisors.

Dufresne & Associates, CPA, PA

Ms. Driver referred to correspondence from Dufresne & Associates confirming that the firm will once again serve as auditors for the HFA for the fiscal year ended September 30, 2015 and outlining the services to be performed, including the annual A-133 federal audit; whereupon, she indicated that she and Chairman Fischer will sign and return the contract once it is approved by the Board. Responding to queries by Mr. Counts, she indicated that a bid process was not used to select the firm, as it has served as auditors for the HFA for many years; that she intends to update the Requests for Qualifications this year to formalize the process; and that she plans to schedule a meeting with the local personnel to discuss the transition related to the new contract.

Thereupon, Ms. Fiel moved, seconded by Mr. Cane and carried, that the contract with Dufresne & Associates, CPA, PA, be approved.

Tampa Bay Community Development Corporation Usage Report

Ms. Driver related that the Usage Report includes information about how the funds from the revolving loan are being used, noting that the Board approved an extension last month, and the item is on the agenda for informational purposes only.

REPORTS BY OFFICERS AND OTHERS

HFA Operations Update

Ms. Driver provided an update on recent, ongoing, and upcoming activities, as follows:

- Officially moved into new office space on Monday, March 16.
- Attended the Smith Housing Conference in Ft. Lauderdale in March (presentation available).
- Provided status report on Neighborhood Stabilization Program (NSP) I, II, and III projects.
- Continuing to draft documents for the Penny for Pinellas Land Assembly Fund.

In response to query by Chairman Fischer, Anthony Jones reported that the Bayside Reserves property is being down-zoned and has been sold; and that the new owner of the former C-1 Bank property is aware of the downzoning and is holding the land as an investment, with no foreseeable plans for development.

Multi-Family Program Update

Ms. Driver indicated that the updated occupancy figures are included in the agenda packet. She related that the TEFRA hearing regarding the proposed multi-family bond issuance for financing of the Boca Ciega Townhomes took place earlier today; that the resolution to approve the issuance will be brought before the Board of County Commissioners (BCC) on April 21; and that the closing is expected to be held in late May.

Single Family Program Update

Ms. Lemberg reviewed the Single Family Program report, relating that 31 loans have been processed since last month; that the HFA purchased \$1,072,709 of first mortgages and \$100,000 of second mortgages, representing ten loans, on March 10, and another purchase in the amount of \$1.8 million is anticipated to be made next week; and that because the program is doing so well and the transactions are moving so quickly, a new single family bond issue that was scheduled to close in June is now anticipated to close in May; whereupon, she related that she has been meeting with some partner lenders to discuss decreasing the down payment assistance amount, and the new amount should be determined within the next few weeks.

Ms. Lemberg related that the April radio show, which can be viewed via a link from the HFA website, featured Eddie Burch, Juvenile Welfare Board, discussing the earned income credit, and Brian Nieman, Pinellas County Extension Services, discussing water conservation.

Bright Community Trust Update

Referring to the draft February financial reports, Mr. Jones explained the negative posting for the Single Family project in the *Profit and Loss* report, indicating that it is with regard to the reimbursement of expenses and should be a one-time occurrence; whereupon, he highlighted the changes made in the *Single Family Activity Dashboard* report and discussed the status of some ongoing projects, including the Harbor Bluff, Keene Road, and Sheridan Road properties.

In discussing the *2015 Operational Plan* that the Board requested, Mr. Jones reported that this is the quarter that Bright Trust will be requesting an additional allocation; and that as a result of the Board's comments, staff has been reduced, providing a savings of about \$140,000 in the current budget.

NEW BUSINESS

Recommendation for Grant Funding for Bright Community Trust

Ms. Driver related that she and Mr. Counts met with Mr. Jones and Mr. Shelly to review the Bright Trust monthly budget; and that considering the information provided during that meeting and the current projects, she recommends approval of the April 1 \$50,000 installment of the \$200,000 grant made to Bright House for this fiscal year.

Acknowledging that some issues were cleared up, Mr. Counts cautioned that he continues to be concerned about the financial ability of Bright Community Trust to carry on the program and about the assets that were turned over to it, whereupon, he moved, seconded by Mr. Cane and carried, that the \$50,000 grant installment be approved.

Recommendation for Potential Excess MBS Pool Purchases or Sales – *item pulled from the agenda.*

Boca Ciega Apartments – Amendment to Declaration of Official Intent

RESOLUTION NO. 2015-04 ADOPTED AMENDING RESOLUTION 2013-10 FOR FINANCING OF A MULTI-FAMILY HOUSING PROJECT, BOCA CIEGA TOWNHOMES, THROUGH ISSUANCE OF MULTIFAMILY HOUSING REVENUE BOUNDS, SERIES 2015, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$9,900,000

Ms. Driver provided background information regarding the aforementioned Boca Ciega Townhomes rehabilitation project, relating that Section 8 rents are associated with the project; and that it is consistent with the HFA priorities for development and preservation of affordable housing; whereupon, she recommended that the Board adopt Resolution No. 2015-04, amending the previous resolution and increasing the bond size.

Ms. Counts moved, seconded by Ms. Fiel and carried, that the resolution be adopted.

Annual Reports to Board of County Commissioners

Referring to the *HFA of Pinellas County 2014 Annual Report* and the *Pinellas County Housing Trust Fund Program: 2014 Annual Report*, Ms. Driver related that the reports will be presented to the BCC on April 7; and that they contain all HFA activity for the past year. She noted that the report of the Housing Trust Fund is a compilation of annual reports from all participating jurisdictions showing how the money is used; and that the program has not been funded for several years, and the HFA continues to request that the fund be replenished; whereupon, she informed the Board that she will be making a presentation to the BCC on how the Housing Trust Fund and the Land Assembly Fund are to be utilized in the future.

Ms. Fiel moved, seconded by Mr. Cane and carried, that the *HFA of Pinellas County 2014 Annual Report* be approved; whereupon, she further moved, seconded by Mr. Counts and carried, that the *Pinellas County Housing Trust Fund Program: 2014 Annual Report* be approved.

Recommendation of RFQ Subcommittee – Underwriting Team

In discussing the selection of the HFA underwriters, David Jones, CSG Advisors, financial advisor to the HFA, related that he, Mr. Cronin, and Ms. Fiel reviewed the responses to the Requests for Qualifications (RFQs). He described the evaluation criteria used to score the firms; whereupon, he recommended that RBC Capital Markets and Raymond James serve as Senior Managers to the HFA underwriting team.

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Responding to query by Mr. Counts, Mr. Jones explained how the bond deals would be split between the two underwriters, and Ms. Driver provided input; whereupon, Mr. Counts moved, seconded by Mr. Cane and carried, that the underwriter selection recommendation be approved.

Appointment of Disclosure Counsel

Mr. Cronin advised that the duty of a disclosure counsel is to prepare official statements to bond buyers; that although historically this was done by underwriters, recent changes to federal securities laws have prompted the industry shift to appointing separate disclosure counsels; whereupon, citing the 2015 single-family bond issue and the upcoming multi-family issue, he recommended that Monique Spotts, Bryant Miller Olive, P.A. be appointed as the disclosure counsel for the remainder of 2015, noting her familiarity with the HFA programs; that the Board consider sending out RFQs for a disclosure counsel appointment in 2016; and that he, Ms. Driver, and Mr. Jones be granted authority to negotiate the counsel fees.

In response to queries by Mr. Counts, Mr. Cronin indicated that a disclosure counsel fee would add \$15,000 to \$20,000 to a bond deal; and that it is time for the HFA to review its low fee structure for professional services; whereupon, Ms. Fiel moved, seconded by Mr. Cane and carried, that the disclosure counsel appointment and the authority to negotiate fees be approved.

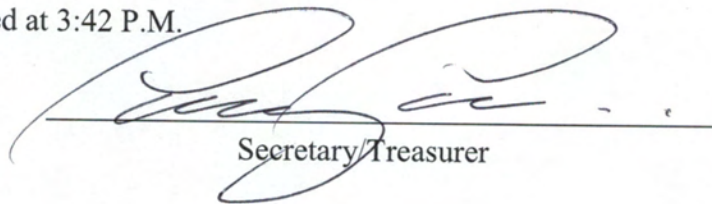
MISCELLANEOUS

Ms. Driver related that she will be making presentations to the BCC on April 7 and 21; and that the next HFA meeting will be held on May 6 in the County Commission Assembly Room. She reminded the members that the National ALHFA Conference will be held at the Epic Miami Hotel in Miami from April 29 to May 2 and the Florida ALHFA Conference from July 8 through 11 at the Vinoy in St. Petersburg; and that the members should inform her if they are planning to attend the dinner in celebration of the National ALHFA conference.

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ADJOURNMENT

The meeting was adjourned at 3:42 P.M.



Secretary/Treasurer