

Clearwater, Florida, May 6, 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, Fifth Floor, Pinellas County Courthouse, 315 Court Street, Clearwater, Florida, at 3:02 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  
Sheri Harris, HFA Staff  
Karmen Lemberg, HFA Staff  
Michael T. Cronin, Attorney, Johnson, Pope, Bokor, Ruppel & Burns, PA  
Helen Feinberg, RBC Capital Markets  
Anthony M. Jones, Executive Director, Bright Community Trust  
Bob Arnold, Bright Community Trust  
Jeff Rogo, Bright Community Trust  
Tom Shelly, Bright Community Trust  
Frank Wells, Bright Community Trust  
David Jones, CSG Advisors  
Donald Peterson, Raymond James  
Tim Wranovix, Raymond James  
Monique Spotts, Bryant Miller Olive, PA  
Other Interested Individuals  
Lynn M. Abbott, Board Reporter, Deputy Clerk

(Minutes written by Lynn Abbott and Helen Groves)

AGENDA

1. CALL TO ORDER
2. PUBLIC COMMENTS
3. APPROVAL OF MINUTES
  - A. February 4, 2015 Meeting Minutes

May 6, 2015

4. TREASURER'S REPORTS
  - A. General Fund – March 2015
  - B. Housing Trust Fund – March 2015
5. COMMUNICATIONS TO THE AUTHORITY
  - A. Tampa Bay Community Development Corp. Usage Report
  - B. City of Dunedin – Eco Village
6. REPORTS BY OFFICERS AND OTHERS
  - A. HFA Operations Update – Kathryn Driver
    1. Presentation to Board of County Commissioners – Pinellas County Community Housing Program, April 21, 2015
  - B. Multi-Family Report – Kathryn Driver
    1. Occupancy Report
  - C. Single Family Report – Karmen Lemberg
  - D. Bright Community Trust – Anthony Jones
    1. Presentation – Community Land Trusts
7. NEW BUSINESS
  - A. Single Family Housing Revenue Bonds, Series 2015A
    1. Memo
    2. Resolution
      - a. Purchase Contract
      - b. Continuing Disclosure Agreement
      - c. 2015A Series Supplement
      - d. Preliminary Official Statement
      - e. 2015A Determinations
  - B. Underwriter Compensation  
(Action Item – David Jones)
  - C. Amended Interlocal Agreement between the Housing Finance Authority of Pinellas County and the Board of County Commissioners to Implement the Community Housing Program
    1. Memo
    2. Resolution
      - a. Amended Interlocal Agreement – black-lined
      - b. Amended Interlocal Agreement – clean  
(Action Item – Kathryn Driver)
  - D. Second Master Amendment to Land Trust Agreements between the Housing Finance Authority of Pinellas County and Bright Community Trust (f/k/a Pinellas Community Housing Foundation)
    1. Memo
    2. Resolution
      - a. Second Master Amendment to Land Trust Agreements  
(Action Item – Kathryn Driver/Mike Cronin)
  - E. Ordinance to Amend the Pinellas County Code relating to the Housing Finance Authority.  
(Action Item – Kathryn Driver)
  - F. 2015-16 Proposed Meeting Schedule  
(Action Item – Kathryn Driver)
8. ADJOURNMENT

Upcoming Events

Next HFA Board meeting - June 3, 2015 at 3:00 P.M., BCC Chamber  
National ALHFA Educational Conference - July 8-11, 2015 - Vinoy, St. Petersburg

May 6, 2015

### CALL TO ORDER

Chairman Fischer called the meeting to order at 3:02 P.M. A sign-in sheet has been filed and made a part of the record.

### PUBLIC COMMENTS

Anthony M. Jones pointed out that he is speaking under "Public Comments" and stated he is speaking for himself and not for his Board; whereupon, he provided background information about how Bright Community Trust was established and its achievements to date. He stated that for the past six months, the successes have been overshadowed by an underlying tension that has made working together with the HFA difficult. He indicated that he had received what he described as a "very disturbing" email with language he perceived to be threatening, warning that if Bright Community Trust did not immediately turn over its assets, the Trust's operating funds would be pulled and its access to credit would be cut.

Noting that he has worked with the HFA for over 15 years, Mr. Jones stated that he finds the threat baffling, as he has never witnessed the Board violating the terms or even the intent of a contract, or to intimidate, make threats, or demand quid pro quos. Mr. Jones asked that the HFA Board make a decision regarding the contract, relating that no matter the outcome, he will always be grateful for the Board's significant assistance and support; whereupon, Mr. Fischer thanked Mr. Jones for his comments and indicated that the issue would be addressed later in the meeting.

### MINUTES OF HFA MEETING OF FEBRUARY 4, 2015 – APPROVED

Upon presentation by Chairman Fischer of the minutes of the HFA meeting of February 4, 2015, Ms. Fiel moved, seconded by Mr. Cane and carried, that the minutes be approved as submitted.

### TREASURER'S REPORTS – APPROVED

#### Financial Report – General Fund – March 2015

Mr. Counts presented the HFA General Fund financial statement for the month of March 2015 and reviewed the March Cash Roll Report, copies of which have been filed and

May 6, 2015

made a part of the record; whereupon, he moved, seconded by Ms. Fiel and carried, that the General Fund reports be approved.

#### Financial Report – Housing Trust Fund – March 2015

Mr. Counts presented the HFA Housing Trust Fund financial statement for the month of March 2015 and reviewed the March Cash Roll Report, copies of which have been filed and made a part of the record; whereupon, he moved, seconded by Mr. Cane and carried, that the Trust Fund reports be approved.

#### COMMUNICATIONS TO THE AUTHORITY

##### Tampa Bay Community Development Corporation Usage Report

Ms. Driver reviewed the Tampa Bay Community Development Corporation document titled *Revolving Loan Usage Report*, which has been filed and made a part of the record, and related that it includes information regarding how the funds are being utilized.

##### City of Dunedin – Eco Village

Ms. Driver referred to correspondence received from the City of Dunedin pertaining to Eco Village, which has been filed and made a part of the record, and related that in 2007, the Dunedin Housing Authority, the City of Dunedin and the HFA entered into a tri-party agreement establishing Eco Village; that soon after this agreement was executed, the economic recession delayed the project; that the project has been plagued by numerous issues; and that Dunedin is requesting the HFA's assistance to help spur the developer to complete the project.

#### REPORTS BY OFFICERS AND OTHERS

##### HFA Operations Update

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

- Reported on the National ALHFA Conference held last week in Miami that she and four of the Board members attended.

May 6, 2015

- Discussed her Housing Trust Fund Program presentation to the Board of County Commissioners (BCC) at their May 5, 2015 meeting in which she introduced the Affordable Housing Land Assembly Fund (Penny for Pinellas Program).
- Reported that the HFA staff is working with the Planning Department and Community Development to get the Affordable Housing Land Assembly Fund (Penny for Pinellas Program) in place by August 1 of this year or possibly sooner.
- Announced that the BCC held a Tax Equity Fiscal Responsibility Act (TEFRA) hearing May 5, 2015, and approved the amended ordinance, which has been filed and made a part of the record and will be discussed later in the meeting.
- Related that the Community Housing Program Interlocal Agreement has been amended to include the Affordable Housing Land Assembly Fund (Penny for Pinellas Program) and will be brought before the Board for approval today in anticipation of the BCC approving it at its May 19, 2015 meeting.
- Announced that staff is working with the Planning Department and Community Development on some exciting new programs, and she will have more information to share at the next meeting.

#### Multi-Family Program Update

Ms. Driver indicated that the Boca Ciega Apartments credit underwriting process is progressing quickly via bi-weekly conference call updates by Raymond James. She reported that the BCC approved the bond issue at a TEFRA hearing at its April 21 meeting, noting that Commissioner Welch had commented that he is glad the project is finally moving forward.

Ms. Driver reported that staff and Community Development and Planning are working on the rules, policies, and procedures in order to coordinate the Affordable Housing Land Assembly Fund (Penny for Pinellas Program) with the Florida Housing sale application deadline and plan to have the Notice of Funding available in the Request for Purchase (RFP) no later than August 1.

Ms. Driver related that HFA plans to schedule upcoming workshops with for-profit and non-profit developers regarding program information and assistance with application submittals; whereupon, she stated that further information regarding prospective multi-family matters will be provided at the next meeting.

Single Family Program Update

Ms. Lemberg reported that the Authority is moving forward with its final purchase of over \$3 million in first and second mortgages; and that on May 27, 2015, the closing on the Single Family Bond Issue will be held at the HFA office, and everyone is welcome to attend.

Ms. Lemberg related that she and Jane Muhrlin hosted the May radio show and discussed the Home Ownership Program for Everyone (HOPE) Expo to be held on June 8, noting that there will be an HFA table available to provide assistance.

Ms. Lemberg provided a brief update on Mr. Beal, indicating that Mrs. Beal is very pleased with his progress; that he's hoping to be in contact soon and is grateful that he is missed; and that both really appreciate the cards, well wishes, and offers to help; whereupon, everyone wished him well.

Bright Community Trust Update

Anthony M. Jones, Executive Director, Bright Community Trust, discussed the May 2015 financials, which have been filed and made a part of the record, and commented that Bright is on target to meet its start-up expectations, noting that the fees are slightly behind schedule as was expected, due to low inventory. He provided details about properties sold and occupied, listed for sale, new construction in progress, rehabilitations, vacant lots, and bank/repo properties, and related that Bright is continuing to work with banks on foreclosed properties.

Mr. Jones stated that construction on Townhomes of Creek Park, Bright's first Pasco County property, continues at a rapid pace and thanked Mr. Cane for coming out and walking the property; whereupon, he provided an update on the Brentwood project, stating that site engineering has been completed and bank financing is being sought.

Mr. Jones reported that he has joined the Board of the National Community Land Trust Network and recently became the Southeast member representative.

Mr. Jones related that the Bright audit has been successfully completed and about \$1.4 million in previously unrecorded assets was recognized, which brings its assets up to a total of \$15.8 million. He reported that Bright has new legal counsel, and is no longer represented by Johnson Pope; whereupon, he thanked Attorney Cronin for his contribution, guidance, and many years of service.

May 6, 2015

Thereupon, Chairman Fischer, referencing comments Mr. Jones made earlier in the meeting under "Public Comments," requested that Attorney Cronin provide an update on the issues. Attorney Cronin provided background information about the Trust, acknowledging Mr. Jones' passion for affordable housing and noting that he and the Board share that passion. He stated that he helped create the Land Trust vehicle when Mr. Jones was still with the County; and that it has enjoyed significant success with over 500 units now in the various Land Trusts, which were primarily funded by and/or the inventory came through the Neighborhood Stabilization Program.

Mr. Cronin advised that the underlying issue with Bright Community Trust is the concern that the Foundation is spending too much money, and the long-term viability of the Trust is in peril unless costs are cut significantly. Attorney Cronin stated that the email was worded strongly intentionally and was meant to get attention in order to bring the issue to a head, cautioning that it is of the utmost concern to both the County and the HFA Board as to what will happen to the property should the Trust default on its debt.

Chairman Fischer commented that although the concerns have been brought up at the HFA Board level on several occasions, the County is now voicing the same concerns; whereupon, he offered Mr. Jones, or his Board, an opportunity to address the issues.

Mr. Jones stated that there is misinformation floating around in the community; that no one from the County has questioned him about his budget or inquired into the operations of the Trust; that the Trust, although it has been in operation only about 17 months, is bringing in significant income and will continue to do so; that the organization has grown faster than anticipated; and that the budget has recently been cut significantly. He agreed that there are significant risks, denied that all the assets have been pledged, and stated that he has confidence the Trust will survive, one way or the other; whereupon, citing the stress the present situation is causing, he asked that the Board decide whether it plans to continue its support of the Trust; and discussion ensued.

Mr. Counts stated that he voted in favor of creating the Trust, but it has evolved into an operation that was neither intended nor anticipated and is completely different from what was presented to the Board and what he voted on; whereupon, he expressed concern that the Board has no representation on the Trust Board.

Mr. Fischer provided background information, relating that at one time the HFA Board had representation on the Bright Trust Board, which was the way it was set up; that the prior County Administrator deemed there was a conflict with the HFA being involved on the

May 6, 2015

financial end and also being involved in HFA Board decisions; that the then County Administrator applied pressure on many fronts; and that, although he questioned whether there was indeed a conflict of interest, in order to alleviate the situation and prevent further harm being done to the Authority, he had resigned from the Trust Board, which was unfortunate; whereupon, he requested that Attorney Cronin meet with Mr. Jones to go over the budget, discuss the issues, and report back to the Board in July.

Mr. Jones related that he is not interested in discussing the budget with Attorney Cronin, as it is not the issue; and that the issue is whether the HFA intends to honor the contract; and discussion ensued regarding the contract and the Neighborhood Stabilization Program.

Mr. Cane indicated that he supports the work that Bright Community Trust does for the community but is concerned about the operational expenses; whereupon, Mr. Jones explained why the space rented is larger than necessary and discussed the payroll.

In response to query by the Chairman, Ms. Driver identified HFA transactions with Bright Community Trust scheduled for the next two months; and Mr. Jones expressed concern about his June/July funding.

In response to a request by Attorney Cronin, Mr. Cane and Ms. Driver agreed to accompany him to the meeting; and following further discussion, Mr. Jones and Attorney Cronin agreed that a report would be provided to the Board at the July meeting.

#### NEW BUSINESS

#### RESOLUTION NO. 2015-05 ADOPTED PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$23,000,000.00 SINGLE FAMILY HOUSING REVENUE BONDS, SERIES 2015A

Ms. Driver provided an overview of the proposed resolution, a copy of which has been filed and made a part of the record; and indicated that the bond issue was expected to close at the end of June but had been accelerated to the end of May because the loan originations have been going so quickly. She related that this will be another fully originated pass-through structure and the mortgage loans in line now will fund the next bond issue in early 2016.

Thereupon, Mr. Counts moved, seconded by Mr. Cane and carried, that Resolution No. 2015-05 be adopted approving the issuance of Series 2015A Single Family Housing Revenue Bonds.

### Underwriter Compensation

David Jones, CSG Advisors, financial advisor to the Authority, presented information regarding two components of underwriter compensation:

1. Management Fee

Mr. Jones discussed the management fee; whereupon, he recommended a fee of \$1.40 per \$1,000 of bonds, noting that it is the same split as last fall's bond issue with the first dollar going to the senior manager and the remaining \$.40 split 50-50 between the two firms.

2. Takedown

He indicated that the takedown is traditionally the compensation for actually selling the bonds in the market; whereupon, he recommended a \$5.00 takedown per each \$1,000 in bonds, with a maximum designation of 65 percent, leaving 35 percent for the other firm.

In response to a suggestion by Mr. Peterson about using a different option to allocate the takedowns, Mr. Jones explained why he kept it as a net designated basis; whereupon, he confirmed that the underwriters support the recommendations.

Thereupon, Mr. Counts moved, seconded by Ms. Fiel and carried, that the underwriter compensation be approved as presented.

Amended Interlocal Agreement Between the Housing Finance Authority of Pinellas County and the Board of County Commissioners to Implement the Community Housing Program - Approved

Ms. Driver indicated that legal counsel has reviewed the Amended Interlocal Agreement, a copy of which has been filed and made a part of the record; that a blackline and a clean copy have been included so members can see what changes were made, which essentially is the Affordable Housing Land Assembly Fund administration inclusion; and that the Amended Interlocal Agreement will be brought before the BCC at its May 19, 2015 meeting; whereupon, Ms. Fiel moved, seconded by Mr. Cane and carried, that the Amended Interlocal Agreement between the Housing Finance Authority of Pinellas County and the Board of County Commissioners to Implement the Community Housing Program be approved as presented.

May 6, 2015

Second Master Amendment to Land Trust Agreements Between the Housing Finance Authority of Pinellas County and Bright Community Trust (f/k/a Pinellas Community Housing Foundation) – Tabled to July Meeting

Ms. Driver indicated that there is a revised memo in the members' packets, a copy of which has been filed and made a part of the record, and that staff recommends approval today as to form only; whereupon, Chairman Fischer directed that the item be tabled until the July meeting, and no objections were noted.

Ordinance to Amend the Pinellas County Code Relating to the Housing Finance Authority – Acknowledged

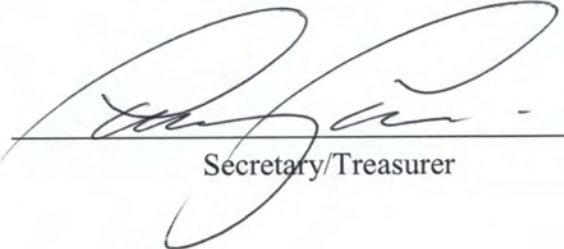
The Board acknowledged that the BCC approved the Ordinance to Amend the Pinellas County Code relating to the Housing Finance Authority at the May 5, 2015 TEFRA hearing.

2015-2016 Proposed Meeting Schedule

Ms. Driver referenced the Fiscal Year 2015-2016 Meeting Schedule, which has been filed and made a part of the record, noting the requirement that it be published annually.

ADJOURNMENT

The meeting was adjourned at 4:04 P.M.

  
Secretary/Treasurer