

Clearwater, Florida, March 9, 2016

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 Clerk's Fourth Floor Conference 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  
Casey Cane, Assistant Secretary  
Robyn Fiel, Assistant Secretary

Not Present

Tasker Beal, Vice-Chairman  
Norris E. Counts, Secretary/Treasurer

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  
Joe Beaudoin, Cushman & Wakefield  
Debbie Berner, RBC Capital Markets  
Barbara A. Clark, Barbara Clark & Company  
Linda Dufresne, Dufresne & Associates, P.A.  
Anthony Jones, Bright Community Trust  
David Jones, CSG Advisors  
Monique R. Spotts, Bryant Miller Olive, PA  
Christopher J. Thanner, McGuire Woods, LLC  
Other Interested Individuals  
Laura M. Todd, Board Reporter, Deputy Clerk

AGENDA

1. CALL TO ORDER
2. PUBLIC COMMENTS
3. APPROVAL OF MINUTES
  - A. February 3, 2016 Meeting Minutes

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4. TREASURER'S REPORTS
  - A. January 2016
    1. General Fund
    2. Housing Trust Fund
    3. Land Assembly Fund
5. COMMUNICATIONS TO THE AUTHORITY
  - A. Tampa Bay CDC usage report – \$100,000
  - B. Audit Presentation – Linda Dufresne
6. REPORTS BY STAFF
  - A. HFA Operations Update – Kathryn Driver
  - B. Multi-Family Update – Kathryn Driver
    1. Occupancy Report
  - C. Single Family Update – Karmen Lemberg
  - D. Special Programs Update – Sheri Harris
7. NEW BUSINESS
  - A. Single Family Housing Revenue Bonds, Series 2016A
    1. Memos
      - a. Single Family Bond Recommendation
      - b. Underwriter Compensation
    2. Resolution
      - a. Purchase Contract
      - b. Continuing Disclosure Agreement
      - c. 2016A Series Supplement
      - d. Preliminary Official Statement
      - e. 2016A Determinations(Action Item – Kathryn Driver)
  - B. Ratification of Pinellas County Land Assembly Land Trust – Palms of Pinellas Documents
    1. Resolution
    2. Land Trust Agreement(Action Item – Kathryn Driver)
  - C. Aluna Largo Purchase Transfer
    1. Request Letter
    2. Resolution(Action Item – Mike Cronin)
  - D. Executive Director Review  
(Action Item – Mike Cronin)
8. ADJOURNMENT

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Upcoming Events

HFA Meeting, April 6, 2016, 315 Court Street, Fourth Floor, Clerks Large Conference Room  
NALHFA 2016 Annual Conference, April 13-16 at the Dallas Fairmont  
FLALHFA 2016 Annual Conference, July 6-9 at the St. Petersburg Vinoy

CALL TO ORDER

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

PUBLIC COMMENTS

Chairman Fischer announced that as each item on the agenda is introduced, he will open the floor for public comment, and anyone wishing to speak will be recognized.

MINUTES OF THE FEBRUARY 3, 2016 HFA MEETING – APPROVED

Upon presentation by Chairman Fischer, Mr. Cane moved, seconded by Ms. Fiel and carried unanimously, that the minutes of the February 3, 2016 meeting be approved.

TREASURER’S REPORTS – APPROVED

General Fund – January 2016

Mr. Cane presented the HFA General Fund financial statements for the month of January 2016, copies of which have been filed and made a part of the record; whereupon, he reviewed the January Cash Roll Report and moved, seconded by Ms. Fiel and carried unanimously, that the reports be approved.

Housing Trust Fund – January 2016

Mr. Cane presented the HFA Housing Trust Fund financial statements for the month of January 2016, copies of which have been filed and made a part of the record; whereupon, he reviewed the January Cash Roll Report and moved, seconded by Ms. Fiel and carried unanimously, that the reports be approved.

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#### Land Assembly Fund – January 2016

Mr. Cane presented the HFA Land Assembly Fund financial statements for the month of January 2016, copies of which have been filed and made a part of the record; whereupon, he reviewed the January Cash Roll Report and moved, seconded by Ms. Fiel and carried unanimously, that the reports be approved. Ms. Driver, noting that the money comes into the fund from Penny for Pinellas dollars and goes out almost immediately, clarified that \$1,600 from the General Fund was used to cover bank fees.

#### COMMUNICATIONS TO THE AUTHORITY

##### Tampa Bay Community Development Corporation (CDC) Usage Report – \$100,000

Ms. Driver presented the usage report detailing the \$100,000 loan with the CDC.

##### Audit Presentation

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 draft audit report for the year ended September 30, 2015, 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, each major fund, and the remaining fund information of the Authority.

Ms. Dufresne explained that as a member of a Multi-Employer Plan, the Authority falls under Governmental Accounting Standards Board (GASB) Statement No. 68, relating to pensions; that as part of the Florida Retirement System Pension Plan, the Authority is now required to report its proportionate share of contributions to the pension plan; and that the audit is in draft form because the actuarial reports have not been received from the Florida Retirement System.

Ms. Dufresne related that Bright Community Trust no longer meets the criteria to be included as a component unit, and has been removed for the year ending September 30, 2015; 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 related that investment funds contributed to the single-family issues will no longer be amortized.

Ms. Dufresne discussed bonds payable, the health insurance subsidy, private section financial statements, and the schedule of bonded indebtedness, and reported that the Auditor General letter

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is clean; whereupon, in response to query by Ms. Driver, she indicated that she will present the final audit with updated figures for approval by the Authority at a future date.

## REPORTS BY STAFF

### HFA Operations Update

Ms. Driver reviewed today's agenda and reported on HFA activities as follows:

- Reminded those who are planning to attend the NALPHA Conference in April to speak to Ms. Lemberg regarding registration and travel to Dallas.
- A new single-family bond issue is scheduled to price later this month and close in April, and the draft documents for the transaction will be presented later in the meeting.
- With the Penny for Pinellas Land Assembly Fund, the HFA has successfully closed on D&D Missionary Homes, now known as the Lealman Heights property, and the multifamily Palms of Pinellas project, noting that Ms. Harris will provide additional information in her report; and that contracts are in place for some properties within the footprint of the D&D Missionary Homes property.
- The HFA report will be presented to the Board of County Commissioners as part of next Tuesday's Consent Agenda, noting that a similar annual report for the Housing Trust Fund will be provided when it is completed.
- The final home on the Federal Home Loan Bank line of credit with Bright Community Trust was closed on March 4, and a final partial release of mortgage and a final satisfaction of mortgage will be signed today by Chairman Fischer.
- Requests for Proposals will be solicited from financial advisors and various working group members over the next year or two. Ms. Driver related that no contracts have been executed since 2008; and that she will report back to the Board in May.

Ms. Driver referred to discussions at last month's meeting pertaining to a loss mitigation policy with respect to first mortgages held by the HFA; whereupon, Attorney Cronin, referring to a flow chart, a copy of which has been filed and made a part of the record, provided information on the loss mitigation process and indicated that with the permission of the members, a set of policies

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would be compiled for staff to implement and report back to the Authority. Chairman Fischer indicated his support of the proposed approach, and no objections were noted.

#### Multi-Family Program Update

Ms. Driver related that updated occupancy figures for multi-family projects are included in the agenda packet; whereupon, she discussed Sumter Gardens Apartments, a new construction multi-family development located in Sumter County for which the Pinellas County HFA will issue bonds. She indicated that submission of a Housing and Urban Development (HUD) application is expected in about 30 days, noting that the timeframe from the firm commitment to the date of closing is 120 days.

#### Single Family Program Update

Ms. Lemberg indicated that the market has slowed; that most of the loans are trapped in compliance due to TILA-RESPA Integrated Disclosure (TRID) Rule issues and severe problems being experienced by U.S. Bank in servicing loans; whereupon, during discussion and in response to queries by Mr. Cane, she indicated that the single family bond in the amount of \$15 million will be fully issued by December; and that staff is presently working with 12 lenders.

#### Special Programs Update

Ms. Harris presented an update on the Neighborhood Stabilization Programs, relating that the rehabilitation project on Davis Road in Dunedin is now under contract; and that even though two homes are available and need rehabilitation, the budget will not support a rehabilitation at this time; whereupon, she related that requests for applications are being issued to let developers know funds are available.

Ms. Harris reviewed the Land Assembly Program, reporting that Lealman Heights, formerly known as the D&D Missionary Homes, closed on February 29; that \$600,000 received from the County will be used for asset reserves and rehabilitation on the five vacant units; that three scattered site homes have been placed under contract and should close by the end of April; and that the land purchase for the 92-unit Palms of Pinellas project has also closed, noting that the Housing Authority is in the process of securing financing for the project.

#### NEW BUSINESS

##### Single Family Housing Revenue Bonds, Series 2016A

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RESOLUTION NO. 2016-03 ADOPTED PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING \$15,000,000 IN HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY SINGLE FAMILY HOUSING REVENUE BONDS, SERIES 2016A, FOR THE PURPOSE OF PROVIDING FOR THE ORIGINATION OR PURCHASE OF CERTAIN MORTGAGE LOANS, OR GUARANTEED MORTGAGE SECURITIES COMPRISED OF MORTGAGE SECURITIES MADE TO ELIGIBLE PERSONS OR FAMILIES FOR THE PURPOSE OF FINANCING THE PURCHASE OF EXISTING, NEWLY CONSTRUCTED OR SUBSTANTIALLY REHABILITATED HOMES, AND/OR THE REHABILITATION OF EXISTING HOMES AND PAYING FOR CERTAIN OTHER COSTS RELATED THERETO; PLEDGING CERTAIN OF THE REVENUES DERIVED DIRECTLY OR INDIRECTLY FROM THE REPAYMENT OF SUCH MORTGAGE LOANS OR PAYMENTS UNDER SUCH GUARANTEED MORTGAGE SECURITIES AND OTHER SOURCES TO THE REPAYMENT OF THE BONDS; APPROVING THE FORM OF A SUPPLEMENTAL INDENTURE OF TRUST SECURING SAID BONDS; APPROVING THE FORM OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING A SUPPLEMENT TO THE PROGRAM DETERMINATIONS RELATING TO SUCH BONDS PURSUANT TO THE MASTER MORTGAGE ORIGINATION AGREEMENT; RATIFYING AND CONFIRMING THE APPOINTMENT OF A SERVICER AND ADMINISTRATOR TO ACT IN SUCH CAPACITIES PURSUANT TO THE PROGRAM ADMINISTRATION AGREEMENT AND THE SERVICING AGREEMENT; RATIFYING AND CONFIRMING THE DESIGNATION OF A QUALIFIED FINANCIAL INSTITUTION TO SERVE AS TRUSTEE FOR SUCH BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AUTHORIZING THE PROPER OFFICERS OF THE AUTHORITY TO DO ALL OTHER THINGS DEEMED NECESSARY AND ADVISABLE IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS; APPROVING THE FORM OF A PURCHASE CONTRACT RELATING TO THE NEGOTIATED SALE OF NOT TO EXCEED \$15,000,000 OF THE BONDS TO CERTAIN UNDERWRITERS; AUTHORIZING AND DIRECTING THE CHAIRMAN OR OTHER MEMBER OF THE AUTHORITY TO EXECUTE AND DELIVER AND THE SECRETARY/TREASURER OR OTHER MEMBER OF THE AUTHORITY OR THE EXECUTIVE DIRECTOR, TO ATTEST THE SERIES SUPPLEMENT, THE PURCHASE CONTRACT AND THE CONTINUING DISCLOSURE AGREEMENT SUBSTANTIALLY IN SUCH FORMS SET FORTH HEREIN; DELEGATING TO THE OFFICIALS EXECUTING AND DELIVERING THE PURCHASE CONTRACT THE AUTHORITY TO MAKE A FINAL DETERMINATION OF THE INTEREST RATE OR RATES TO BE BORNE BY THE BONDS AND CERTAIN OTHER FINANCIAL PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; RATIFYING THE AUTHORIZATION OF THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF SUCH BONDS; APPROVING AND RATIFYING INTERLOCAL AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE \_\_\_\_\_

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Ms. Driver provided background information regarding the item, indicating that the members' packets include a copy of all bond documents and the resolution. She discussed the traditional bond structure that will be utilized rather than the past restructure, relating that the bond issue will not exceed \$15,000,000. CSG Advisor David Jones referred to his memorandum regarding underwriter compensation, a copy of which has been filed and made a part of the record, and related that the proposed management fee would be the same as the last three transaction fees of \$1.40 per bond, or \$21,000 based on the \$15 million bond to be issued; whereupon, he discussed the Authority contribution, management fee, and takedowns.

Thereupon, Mr. Cane moved, seconded by Ms. Fiel and carried unanimously, that Resolution No. 2016-03 be approved.

Ratification of Pinellas County Land Assembly Trust – Palms of Pinellas Documents

RESOLUTION NO. 2016-04 ADOPTED APPROVING AND RATIFYING ACTIONS IN CONNECTION WITH THE PALMS OF PINELLAS APARTMENTS MULTIFAMILY HOUSING PROPERTY TO PROVIDE AFFORDABLE MULTIFAMILY HOUSING IN ACCORDANCE WITH THE DIRECTIVES AND INITIATIVES OF THE *PINELLAS COUNTY COMMUNITY HOUSING PROGRAM-AFFORDABLE HOUSING LAND ASSEMBLY FUND*; AUTHORIZING THE ACQUISITION OF REAL PROPERTY UTILIZING MONIES FROM THE *PINELLAS COUNTY COMMUNITY HOUSING PROGRAM-AFFORDABLE HOUSING LAND ASSEMBLY FUND*; AUTHORIZING THE CREATION AND FORMATION OF THE PINELLAS COUNTY LAND ASSEMBLY TRUST-PALMS OF PINELLAS; AUTHORIZING FUTURE CONVEYANCE AND PURCHASE OF THE SUBJECT PROPERTY TO THE PINELLAS COUNTY LAND ASSEMBLY TRUST-PALMS OF PINELLAS; AUTHORIZING A GROUND LEASE AND OTHER RELATED FINANCING DOCUMENTS, INCLUDING A LAND USE RESTRICTION AGREEMENT AND MANAGEMENT AGREEMENT; DELEGATING AUTHORITY TO IMPLEMENT THESE ACTIONS; AUTHORIZING ADDITIONAL REQUIRED ACTIONS AND PROVIDING AN EFFECTIVE DATE

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Attorney Cronin, with input by Ms. Driver, provided background information regarding the Palms of Pinellas Land Assembly transaction, and related that the Interlocal Agreement with the County entered into in July 2015 delegated authority to the HFA to administer the program; that for various reasons, the transactions are being closed before all the information is ready; that the transactions are being handled according to the direction of the County; and that none of the actions will place the HFA funds in harm's way, noting that the program has been very successful.



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Thereupon, Ms. Fiel moved, seconded by Mr. Cane and carried unanimously, that Resolution No. 2016-04 be approved.

Aluna Largo Purchase Transfer

RESOLUTION NO. 2016-05 ADOPTED APPROVING SALE OF FINANCED PROJECT; AUTHORIZING ASSIGNMENT OF RIGHTS AND ASSUMPTION AGREEMENT; PROVIDING FOR THE FORMS OF ASSIGNMENT OF RIGHTS AND ASSUMPTION AGREEMENT; PROVIDING FOR OTHER MATTERS RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

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Attorney Cronin provided historical background information relative to the transfer of the Aluna Largo multifamily bond finance project, and indicated that the pool was established in 2004; that the Land Use Restriction Agreement is a covenant that “runs with the land” for the qualified project period; that this is the third transfer of the property; and that the agreement expires in 2019 or 2020 or the date the bonds are paid off or the date the property is no longer a Section 8 unit; whereupon, he indicated that the documents clarify that the new owner agrees to assume the agreement.

Attorney Chris Thanner, McGuire Woods, LLP, indicated that he represents General Services Corporation (GSC), the purchaser of the Aluna Largo Apartments, and provided historical background information and qualifications of GSC, relating that the bulk of its portfolio is affordable housing and low income space; that the company has been very conservatively managed and financed over the last 40 years; and that it is an approved sponsor of Ginnie Mae and Freddie Mac loan programs for multifamily residential projects.

Thereupon, Mr. Cane moved, seconded by Ms. Fiel and carried unanimously, that Resolution No. 2016-05 be approved.

Executive Director Review

Attorney Cronin provided background information regarding the annual employment contract of Ms. Driver, relating that she is not requesting a pay raise, but wishes to ensure that the Authority continues to maintain her health insurance plan; that Ms. Driver’s employment contract and health insurance plan renew at different times of the year; and that the Authority might want to consider aligning both contracts to the month of December; whereupon, in response to queries by Chairman Fischer as to why the Authority does not pay the health premiums directly, Ms. Lemberg, with input by Attorney Cronin, related that the Authority does not employ enough

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people to be considered a group; and that Ms. Driver is in the process of putting together a proposal to present to the Unified Personnel System, noting that the Pinellas HFA is the only Authority in the state not covered under its respective County's health plan; and that staff continues to explore ways to improve coverage at a reasonable cost.

Thereupon, Mr. Cane moved, seconded by Ms. Fiel and carried unanimously, that the annual employment contract and health insurance plan of Ms. Driver be approved.

#### OTHER BUSINESS

Chairman Fischer reminded the members that the NALHFA 2016 Annual Conference will be at the Dallas Fairmont from April 13 through April 16, 2016; and that the FLALHFA 2016 Annual Conference will be held at the Vinoy in St. Petersburg from July 6 through July 9, 2016.

#### ADJOURNMENT

The meeting was adjourned at 4:00 P.M.

  
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Secretary/Treasurer