

Clearwater, Florida, September 7, 2016

The Housing Finance Authority (HFA) 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
Norris E. Counts, Secretary/Treasurer
Casey Cane, Assistant Secretary
Robyn Fiel, Assistant Secretary
Steven Beal

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
Debbie Berner, RBC Capital Markets
Monique Spotts, Bryant Miller Olive
Tim Wranovix, Raymond James
Donald Peterson, Raymond James
Anthony Jones, Bright Community Trust
Other Interested Individuals
Christopher Bartlett, Board Reporter, Deputy Clerk
Tony Fabrizio, Board Reporter

AGENDA

1. CALL TO ORDER
2. PUBLIC COMMENTS
3. APPROVAL OF MINUTES
 - A. August 3, 2016
4. TREASURER'S REPORTS
 - A. July 2016
 1. General Fund
 2. Housing Trust Fund
 3. Land Assembly Fund

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5. COMMUNICATIONS TO THE AUTHORITY
 - A. Tampa Bay CDC Usage Report - \$100,000
 - B. HUD OIG Correspondence – NALHFA
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 Projects Update – Sheri Harris
7. NEW BUSINESS
 - A. Board Appointment and Election of Officers
 1. Resolution
(Action Item – Rodney Fischer)
 - B. Housing Trust Fund Plan 2016-2018
 1. Memo
 2. Plan
 3. Resolution
(Action Item – Sheri Harris)
 - C. Youth Aging Out of Foster Care
 1. Draft Contract
(Action Item – Kathryn Driver)
 - D. Proposed MBS Sale
 1. Memo
 2. Resolution
(Action Item – Kathryn Driver)
8. ADJOURNMENT

Upcoming Events

HFA Meeting, October 5, 2016, 315 Court Street, Fourth Floor, Clerks Large Conference Room

CALL TO ORDER

Chairman Fischer called the meeting to order at 3:00 P.M., welcomed Mr. Beal as the Authority's newest member, and, at his request, those in attendance introduced themselves. A sign-in sheet and the agenda packet have been filed and made a part of the record.

PUBLIC COMMENTS

Chairman Fischer announced that anyone wishing to speak on any of the agenda items will be recognized.

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MINUTES OF THE AUGUST 3, 2016 HFA MEETING – APPROVED

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

TREASURER’S REPORTS – APPROVED

General Fund – July 2016

Mr. Counts presented the HFA General Fund financial statements for July 2016; whereupon, he reviewed the July Cash Roll Report and moved, seconded by Mr. Cane, that the financial statements be approved. Upon call for the vote, the motion carried unanimously.

Housing Trust Fund – July 2016

Mr. Counts presented the HFA Housing Trust Fund financial statements for July 2016; whereupon, he reviewed the July Cash Roll Report and moved, seconded by Mr. Cane, that the financial statements be approved. Upon call for the vote, the motion carried unanimously.

Land Assembly Fund – July 2016

Mr. Counts presented the HFA Land Assembly Fund financial statements for July 2016; whereupon, he reviewed the July Cash Roll Report and moved, seconded by Ms. Fiel, that the financial statements be approved. Upon call for the vote, the motion carried unanimously.

COMMUNICATIONS TO THE AUTHORITY

Tampa Bay Community Development Corporation (CDC) Usage Report

Ms. Driver indicated that a monthly report detailing usage of the \$100,000 loan with the CDC is included in the agenda packet.

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Department of Housing and Urban Development (HUD) Office of Inspector General (OIG)
Correspondence – National Association of Local Housing Finance Agencies (NALHFA)

Ms. Driver related that the correspondence concerns an ongoing audit of certain agencies' down payment assistance programs; that the HFA is not affected as it funds its own down payment assistance loans; and that the correspondence is provided for informational use only.

REPORTS BY STAFF

HFA Operations Update

Ms. Driver reported on the following HFA activities:

- The HFA welcomes Mr. Beal who was unanimously appointed by the Board of County Commissioners (BCC) on August 23.
- Ms. Harris has accepted a new position with Pinellas County Community Development and Friday will be her last day at the HFA.
- At a recent workshop of the BCC, Ms. Driver conducted a presentation on the needs of affordable housing and how a portion of the BP settlement money might be used to meet those needs.
- The amended HFA budget for this year and proposed budget for next year have been approved by the BCC for filing.
- The HFA has been invited to explore a partnership with the Hillsborough HFA concerning the To Be Announced program to help reduce the cost of bond issues. Ms. Driver will meet with HFAs in Polk and Pasco Counties to discuss the program and begin working on areas of operation.

Multi-Family Update

Referring to the update report included in the agenda packet, Ms. Driver noted that equity gap funding is in place for Sunken Gardens and the HUD process has restarted; that the closing is anticipated to occur around the end of March; and that the inducement resolution has been sent to the BCC for approval.

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Ms. Driver indicated that a new application for a proposed 80-unit construction project in Clearwater has been received and is entering the competitive cycle at the state level; that any award of state funding would be paired with HFA municipal bonds and focus on tax credits; and that land assembly funds may be requested for land acquisition.

Single Family Program Update

Ms. Lemberg referred to the update report included in the agenda packet and indicated that the final purchase for the 2016A Bond Issue is scheduled for September 23; and that programs are being reviewed for additional bond issues. She noted that effective September 1, Florida Housing initiated Hardest Hit programs in Pinellas, Pasco, and Polk counties; and that the process for an HFA first mortgage to include a Florida Housing second mortgage may be operational by the end of October or early November.

Ms. Lemberg indicated that the Freddie Mac conventional program should be rolled out by October 1; and that training for the program will begin September 15; whereupon, she related that she participated in a first-time homebuyer training class earlier this morning as part of a Pinellas Realtor Organization event; and that she has agreed to begin teaching a monthly class for the organization.

Ms. Lemberg noted that the monthly radio program is now available online on YouTube; and that the show's topic is Florida-friendly landscaping.

Special Projects Update

Ms. Harris indicated that closing for the Preserves at Clam Bayou land acquisition has been postponed until funding has been secured for the second phase of the project; that funding for eight units of the proposed 25 total units is in place; and that the HFA is working with the County to receive funding for the second phase.

Referring to the Multi-Family Update, Ms. Harris related that the million dollar land acquisition application received for the 80 units in Clearwater will be on hold until state or other funding is approved; that next week, the City of Clearwater Council will consider its approval for the project; and that support from the City will be needed before the application can move forward.

Ms. Harris indicated that interested jurisdictions must have their three-year housing trust fund plans to the HFA no later than October 1; and that each jurisdiction must advertise its own funding before gaining access to HFA dollars.

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Ms. Harris noted that the Pinellas Housing Authority has kept most units in Lealman Heights occupied during architectural review for rehabilitation of many of the area structures; and that no major damage was reported after the storms of Hurricane Hermine. She indicated that as a partner in the redevelopment of the Lealman area, the HFA has hired HUD consultant Michael Schubert to work with the County and identify a starting path for the project; that Mr. Schubert has worked in numerous redevelopment areas across the country; and that Housing Trust Fund administrative dollars will help support the partnership.

Ms. Harris related that Wells Fargo has brought together non-profits, funders, and others to discuss the need for affordable housing in the Tampa Bay region; and that she and Ms. Lemberg participated in the discussion.

Ms. Harris indicated that a Neighborhood Stabilization Program home has been deeded back to the HFA by the homeowner; and that an inspection has shown repairs are needed before it can go back on the market; whereupon, in response to query by Mr. Cane, she stated that a loss mitigation policy was in place and was followed accordingly; that the homeowner reached out concerning an option to deed in lieu of foreclosure; and that there has been good communication with the homeowner.

NEW BUSINESS

Board Appointment and Election of Officers

RESOLUTION NO. 2016-08 ADOPTED RATIFYING AND APPROVING THE
APPOINTMENT OF OFFICERS OF THE HOUSING FINANCE AUTHORITY OF
PINELLAS COUNTY, FLORIDA

Mr. Counts moved, seconded by Ms. Fiel, that Resolution 2016-08 be adopted setting forth the following slate of officers:

Mr. Fischer, Chairman
Mr. Cane, Vice-Chairman
Mr. Counts, Secretary/Treasurer
Ms. Fiel, Assistant Secretary
Mr. Beal, Assistant Secretary

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Staff Designated as Officers:

Kathryn Driver, Executive Director, Assistant Secretary

Karmen Lemberg, Program Administrator, Assistant Secretary

Upon the Chairman's call for the vote, the motion carried unanimously.

Housing Trust Fund Plan 2016-2018

RESOLUTION NO. 2016-09 ADOPTED PROVIDING FOR APPROVAL OF THE HOUSING FINANCE AUTHORITY COMMUNITY HOUSING TRUST FUND PROGRAM LOCAL HOUSING ASSISTANCE PLAN 2016-2018 AND PROVIDING AN EFFECTIVE DATE

Referring to the plan documents in the agenda packet, Ms. Harris provided a brief history of the Community Housing Trust Fund program and noted that the program has generated approximately \$5.1 million of income through December which has revolved back into the program as intended; and that there is approximately \$344,000 available for use once the new plan is in place.

Ms. Harris stated that all new funds come to the HFA to be administered by the program; that local jurisdictions will need to meet certain criteria before requesting a pool of funding; and that the criteria has not been finalized. She noted that land trust acquisitions require 80 percent loan funding; that only 20 percent can be used as grant funding; and that the loans can be deferred for many years.

Ms. Harris indicated that the proposed County budget includes \$400,000 for the program; and that additional funding from the County's BP settlement money may be approved but would not be allocated until December or January. She stated that the plan will be advertised starting next Friday and has been updated with current contact information.

Responding to queries by Mr. Counts, Ms. Driver indicated that other HFAs do not have similar programs; that the BCC has shown great support for affordable housing; and that the HFA and BCC originally established the dedicated source of revenue and now work together to help fund affordable housing development; and discussion ensued.

Mr. Counts moved, seconded by Mr. Cane and carried unanimously, that Resolution 2016-09 be adopted accepting the Housing Trust Fund Plan 2016-2018.

Youth Aging Out of Foster Care - APPROVED

Ms. Driver indicated that the draft contract with Ready for Life for a \$100,000 grant to help homeless youth aged out of the foster care system find safe, secure, and decent housing is included in the agenda packet; that it includes a one-year term and the ability to terminate the agreement for any reason upon a seven day notice; and that Ready for Life will provide \$25,000 in matching funds. She indicated that discussion is ongoing, particularly with regard to Exhibits A and B; whereupon, Attorney Cronin noted that the contract is substantially complete; and that he recommends the HFA delegate staff to finalize the agreement.

In response to query by Mr. Cane, Ms. Driver indicated that nearly 45 young adults will receive assistance through the HFA funding; and that the \$25,000 match will provide additional benefits.

Mr. Counts moved, seconded by Mr. Cane and carried unanimously, that the draft contract be accepted.

Proposed MBS Sale

RESOLUTION NO. 2016-10 ADOPTED AUTHORIZING THE SALE OF (I) ALL OR A PORTION OF MORTGAGE BACKED SECURITIES HELD FOR THE BENEFIT OF THE AUTHORITY'S SINGLE FAMILY HOUSING REVENUE BONDS (MULTI-COUNTY PROGRAM), 2006 SERIES B-1 (AMT) AND (II) ALL OR A PORTION OF MORTGAGE BACKED SECURITIES HELD FOR THE BENEFIT OF THE AUTHORITY'S SAFEKEEPING ACCOUNT HELD WITH THE FEDERAL HOME LOAN BANK OF ATLANTA AND THE REDEMPTION OF ALL THE OUTSTANDING SERIES 2006B-1 BONDS; APPOINTING CSG ADVISORS INCORPORATED TO ACT AS BIDDING AGENT IN CONNECTION WITH THE SALE OF THE MORTGAGE BACKED SECURITIES; ESTABLISHING PARAMETERS FOR SAID SALE; DELEGATING AUTHORITY TO THE CHAIRMAN, VICE CHAIRMAN OR THEIR DESIGNEE TO APPROVE THE FINAL TERMS OF SUCH SALE AND TO APPROVE THE FINAL FORM OF AND EXECUTE THE DOCUMENTS NECESSARY TO EFFECTUATE SUCH SALE; AUTHORIZING ADDITIONAL REQUIRED ACTIONS; AND PROVIDING AN EFFECTIVE DATE

Referring to HFA Financial Advisor David Jones' memo to the Authority, Ms. Driver presented his recommendation that the Authority pursue a sale of certain mortgage-backed securities (MBS) in favor of bond redemption, and indicated that an MBS sale is an alternative method to redeem or refund bonds when a new bond issue is not forthcoming; that part of the recommended strategy is to reassign the more valuable collateral from the 2006 Series B bond issue and post it

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as collateral in the Federal Home Loan Bank; and that the memo provides a brief analysis of different scenarios. She noted that if approved, the trustee would post a conditional call notice immediately and the bonds could be sold in 30 days, possibly around October 15.

Responding to queries by the members, Ms. Driver stated that not all MBS would be sold; whereupon, Ms. Feinberg indicated that while she is not the HFA's municipal advisor, she believes the sale would refund the old high interest rate bond with a Federal Home Loan Bank low-interest rate loan; and that more residual income will be realized as a result of the sale.

Mr. Cane moved, seconded by Ms. Fiel and carried unanimously, that Resolution 2016-10 be adopted authorizing the MBS sale as recommended.

OTHER BUSINESS

Anthony Jones hand-delivered correspondence from Bright Community Trust to the Authority without additional comment, a copy of which has been filed and made a part of the record.

Ms. Spotts welcomed Mr. Beal and offered to meet with him one-on-one concerning the Authority's bonds and other matters.

ADJOURNMENT

The meeting was adjourned at 3:51 P.M.

A handwritten signature in blue ink, appearing to read "Prof. Fiel", is written over a horizontal line.

Secretary/Treasurer