

Brevard County Housing Finance Authority

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MEETING MINUTES

October 27, 2021

The Brevard County Housing Finance Authority convened on the 27h day of October 2021, at the hour of 3:00 p.m. in the Lecture Room of the Brevard County Agricultural Center, 3695 Lake Drive, Cocoa, Florida, and by telephone conference call.

Present in person: Kamran Sarkarati, Chairman
James Katehakis, Assistant Secretary / Treasurer
Alison Colvard, Member
Angela A. Abbott, Attorney for the Authority
Debbie Goode, Carr, Riggs & Ingram, CPA

Present by telephone: Marianne Edmonds, Public Resources Advisory Group
Helen Feinberg, RBC Capital Markets
Cameron Hill, RBC Capital Markets
Kiera Beard, RBC Capital Markets
Rob Cramp, Housing for Homeless
Michael Henzy, Smith Henzy Advisory Group, Inc.
Randy Shur, General Contractor for Southlake Towers
Kimberly Adams, Rebuild America

- I. The Chairman, Kamran Sarkarati, called the meeting to order at 3:01 p.m. and determined the presence of a quorum.
- II. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.
- III. Consent Agenda: Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to approve the Consent Agenda as follows:
 - A. Approval of Minutes of August 25, 2021 meeting
 - B. Approval of payment of Hendrickson Ink invoice for website maintenance

- C. Approval of payment of invoice of Public Resource Advisory Group for 3rd Quarter, 2021
- D. Approval of payment of invoices of Angela A. Abbott, P.A. for 3rd Quarter, 2021
- E. Approval of payment of Florida ALHFA annual dues for 2021-2022
- F. Approval of payment of Annual Special District fee for FY 2021-2022
- G. Approval of Public Depositor Annual Report to Chief Financial Officer
- H. Approval of payment of NALHFA and FLALHFA conference registration fees and authorization to incur reimbursable expenses for 2022
- I. Approval of 2022 Public Meeting Schedule

IV. Report of Treasurer, Barry Forbes: Presentation of 4th Quarter, FY 2020-2021 Treasurer's Report:

In the absence of Mr. Forbes, Ms. Abbott presented the budget comparison for the 4th Quarter of the current fiscal year. Income is over budget by \$237,970, and expenses are below budget by \$8,992. Other income of \$100,850 are the Authority fees in connection with the Millennia and Tropical Manor projects. The balance sheet for fiscal year end and the 4th quarter checkbook ledger were also presented. There were second mortgage repayments of \$358,500 received during the year.

Motion by Alison Colvard, seconded by Jim Katehakis, and carried unanimously to accept the Treasurer's report as presented.

V. Status Reports on Special Projects:

- A. Loan Agreement with Housing for Homeless ("HFH") f/k/a Coalition for the Hungry and Homeless: The loan to HFH is paying as agreed. A summary of all payments was included in the agenda package. Rob Cramp updated the Authority on the activities of HFH since the interest free loan originated the six years ago. The organization was doing fine until HUD withdrew its support for transitional housing with 3 weeks notice. He understands that for homeless housing to be successful it must include mixed income occupants. HFH has 92 properties which have HUD vouchers for one third of the units. This has increased HFH's income significantly. Also, HFH received forgiveness for a PPP loan of \$155,000. HFH is in significantly better shape than it was seven years ago when he took over. The Authority's loan came at a crucial time.

Looking forward, HFH has partnered with Housing Trust Group from Miami to develop a 90 unit project on Michigan Avenue in Cocoa, which will provide 50% of the units for the homeless. Alison Colvard stated that she is familiar with this project and is glad to hear that HFH will be involved with the project. It should be

a quality market rate looking project restricted for the homeless. A not for profit organization is required as a partner for the program.

- B. Loan to Community of Hope, Inc.: The loan to Community of Hope is paying as agreed. A summary of all payments was included in the agenda package.

VI. Single Family Program:

- A. Status Report on 2012-2021 TBA/MCC Program and discussion regarding funding of Down Payment Assistance loans:

Ms. Abbott presented a written status report on the Single Family Program as of September 30, 2021. During the months of August and September, two (2) new loans closed and six (6) loans paid off. There is one loan currently pending. The agenda package included status reports on the DPA and GNMA Custody accounts, and a summary of GNMA profits as of September 30, 2021. The average GNMA profit per loan this fiscal year is \$6,816.50, which is \$683.50 short of covering the \$7,500 second mortgage. The current balance in the DPA custody account is approximately \$145,089. A check for \$100,000 will be sent to the DPA account tomorrow as approved at the meeting in September, 2020.

- B. Quarterly status report on second mortgages: A status report of all second mortgages as of September 30, 2021, was presented. Ms. Abbott stated that she sent letters to all borrowers under the Single Family 1991 C program whose mortgages will mature during this fiscal year reminding them that their loans are maturing and informing them where the payment should be sent. One loan was paid off and she received calls from two other borrowers who are making arrangements to payoff their loans. Ms. Abbott commented on the large number of second mortgage payoffs that the Authority is receiving.
- C. Consideration of temporary waiver of occupancy requirement for Warren loan: Ms. Abbott presented a request from Trevarius Warren for an additional six month waiver of the occupancy requirement on the home he purchased under the TBA program. The Authority approved a six month waiver on January 27, 2021. Ms. Abbott requested additional information from Mr. Warren as to his efforts to refinance the property, but has not received a response. Motion by Alison Colvard, seconded by Jim Katehakis and carried unanimously to require Mr. Warren to show proof that he is taking steps to evict the tenants in the property, a loan application to refinance the loan or a contract to sell the property. This matter will be considered at the next meeting. Ms. Abbott mentioned that there are no other non-owner occupied properties at this time.

VII. Multi-Family Programs: Consideration of request for waiver from Southlake Towers, LLP (Southlake Towers Apartments Project): Southlake Towers, LLLP, through Mark Kemp with ReBuild America, is requesting a waiver of the “Florida Yards and Neighborhood Certification” (“FYNC”) requirement under the LURA. The reason for the request is that the General Contractor is having a difficult time finding a subcontractor to perform the work timely and within budget. Further, this requirement is a FHFC requirement and the project has de-obligated the SAIL funding awarded. The General Contractor representative, Randy Shur, stated that the Florida university system is backlogged and there has been great difficulty scheduling the parties needed to obtain the certificate. Landscaping is underway. Ms. Colvard questioned whether there is a recorded LURA with the HFA. Marianne Edmonds stated that there is and there is also an Extended Use Agreement in connection with the 4% tax credits. Ms. Colvard asked whether the 4% tax credits require the FYNC. Mr. Henzy responded that the FYNC is required only by the SAIL loan. Ms. Colvard stated that she has obtained a FYNC from Eastern Florida State College and found the process to be an easy one. She asked whether there are features in place to allow for the issuance of the certificate, to which Mr. Shur responded yes. Motion made by Alison Colvard, seconded by Jim Katehakis and carried unanimously that, upon receipt of a letter from the applicant confirming that the requirements to obtain the FYNC are met, the waiver of the FYNC will be granted and the LURA amended accordingly.

VIII. Report of Public Resources Advisory Group: Ms. Edmonds stated that demand for multifamily bond allocation is extensive throughout the state of Florida. In the future, the Authority may have to evaluate and rank multifamily applications since there may not be enough allocation to issue bonds for every application received.

IX. Other:

- A. Approval of extension of engagement letter with Carr, Riggs & Ingram, LLC (“CRI”): Ms. Abbott presented a memorandum indicating that the current engagement with CRI ended with the completion of the financial statements for the fiscal year ended September 30, 2020. The RFP under which CRI was selected provided that the term of the engagement would begin October 1, 2018, for a three year period, with two one year renewals. She recommend that the Authority extend the contract for an additional two year term. Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to extend the engagement with CRI for two fiscal years ended September 30, 2021 and 2022, with fee increases consistent with the current agreement.
- B. Discussion regarding RFP for underwriter: Ms. Abbott presented a memorandum indicating that the current engagement with RBC Capital Markets, LLC began December 8, 2016, for a five year period ending December 7, 2021. The Authority has the option to extend the current contract for an additional one

year term, or to circulate a Request for Proposals for this position. Based on the positive long term relationship that the Authority has had with RBC, she recommended that the Authority extend the engagement for an additional one year term. Motion by Alison Colvard, seconded by Jim Katehakis, and carried unanimously to extend the current engagement with RBC Capital Markets, LLC for an additional one year term ending December 7, 2022.

- X. Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to adjourn the meeting at 3:33 p.m.