

BREVARD COUNTY HOUSING FINANCE AUTHORITY
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MINUTES
August 23, 2023

The Brevard County Housing Finance Authority convened on the 23rd day of August, 2023, 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
Michael Hartman, Vice Chairman
Barry Forbes, Secretary/Treasurer
James Katehakis, Asst. Secretary/Treasurer
Angela A. Abbott, Attorney for the Authority
Cameron Hill, RBC Capital Markets
David Leon, Esq., Nelson Mullins
Robert Bower, Esq., Akerman LLP

Present by telephone: Alison Colvard, Member
Mark Mustian, Nabors, Giblin & Nickerson
Marianne Edmonds, Public Resources Advisory Group
Denihan, eHousing Plus

- I. The Chairman opened the public hearing at 3:00 p.m., regarding the proposed issuance of not to exceed \$15,000,000, Multi-Family Mortgage Revenue Bonds, Emerald Place Apartments Project, pursuant to the Notice of Public Hearing which was properly published and asked for public comment. Hearing none, the public hearing was closed at 3:01 p.m.
- II. The Chairman opened the public hearing at 3:01 p.m., regarding the proposed issuance of not to exceed \$15,750,000, Multi-Family Mortgage Revenue Bonds, Venue at Heritage Oaks Apartments Project, pursuant to the Notice of Public Hearing which was properly published and asked for public comment. Hearing none, the public hearing was closed at 3:02 p.m.
- III. The Chairman called the meeting to order at 3:02 p.m., determined the presence of a quorum and acknowledged publication of the notice of meeting.
- IV. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.

V. Consent Agenda: Motion made by Jim Katehakis, seconded by Michael Hartman and carried unanimously to approve the Consent Agenda as follows:

- A. Approval of Minutes of May 24, 2023 meeting
- B. Approval of payment of Hendrickson Ink invoice for website maintenance
- C. Approval of payment of invoice of Public Resource Advisory Group for 2nd Quarter, 2023
- D. Approval of payment of invoices of Angela A. Abbott, P.A. for 2nd Quarter, 2023
- E. Approval of reimbursement of Florida ALHFA conference expenses
- F. Approval of 12 Month Planning Goals
- G. Approval of budget for fiscal year 2023-2024 and adoption of Resolution No. 2023-04 entitled:

RESOLUTION ADOPTING THE 2023-2024 BUDGET FOR THE BREVARD COUNTY HOUSING
FINANCE AUTHORITY

VI. Report of Treasurer, Barry Forbes: Presentation of 3rd Quarter, FY 2022-2023 Treasurer's Report: Mr. Forbes presented the budget comparison, balance sheet and checkbook ledger for the third quarter of fiscal year 2022-2023. He noted that the funds in the Fidelity account are invested in short term FDIC insured certificates of deposit bearing over 4.5%. The CD's have staggered maturities. Ms. Abbott noted that the budget for fiscal year separates the earnings on the GNMA account from the loan pool settlements. The GNMA custody account is earning over 5%. The members discussed the low earnings in the Truist checking account. Mr. Forbes agreed to contact Truist regarding a higher yield money market account. Motion by Michael Hartman, seconded by Jim Katehakis and carried unanimously to approve the transfer of up to \$1.2 million to a higher yield money market account with a Qualified Public Depository. Motion made by Jim Katehakis, seconded by Michael Hartman and carried unanimously to accept the report of the Treasurer into the record.

VII. 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.
- 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.
- C. Funding request from Crosswinds Youth Services: Ms. Abbott stated that the funding from the state for the keyless entry system is now expected to be greater than originally anticipated. They are now waiting for the contract with D. J. J. Local match funds will be still be needed but the amount has not yet been determined. It is expected that the amount will be determined by the Authority's October meeting.

VIII. Single Family Programs:

- A. Status Report on 2012-2023 TBA/MCC Program and discussion regarding funding of Down Payment Assistance loans: Ms. Abbott presented a written status report on the Single Family Program for the months of May, June and July, 2023. She indicated that three new loans closed, six loans paid off, and two new foreclosures were filed. There are no loans currently pending. The agenda package included status reports on the DPA and GNMA Custody accounts, and a summary of GNMA profits as of July 31, 2023.
- B. Discussion regarding Single Family 1991 C Second Mortgages: Ms. Abbott presented a status report reflecting that all five outstanding loans remain delinquent. Ms. Abbott stated that she sent another round of demand letters to the borrowers and has received no responses to date.
- C. Quarterly status report on second mortgages: Ms. Abbott presented the status report on second mortgages as of June 30, 2023. There was one new loan, four pay offs, and three new foreclosures filed during the last quarter.

IX. Multi—Family Programs:

- A. Discussion regarding status of application of Emerald Place Florida, L.P. (Emerald Place Project): No representative from the applicant attended the meeting to give a status report on this financing.
- B. Discussion regarding application of The Venue at Heritage Oaks Partners, Ltd.: Ms. Abbott stated that this application is for allocation that will expire at the end of this year. The applicant expects to close this issue prior to the end of year. It is extremely unlikely that there will be any other applications for the allocation that could timely close. The Authority's guidelines require a thirty year affordability period, but this application is requesting a fifteen year affordability period. David Leon added that this project is targeted to the "missing middle" income tenant. The low income set aside will be 20% at 50% of AMI. Since the regulations under the Live Local Act have not been finalized, the applicant wants to preserve flexibility for the future. Mr. Hartman requested that the LURA reflect that the other 80% of the units be restricted to 120% of AMI. Mr. Leon stated that, in order to qualify for real estate tax exemptions, the maximum tenant income is 120% of AMI. Mr. Hartman asked that the LURA state that, as long as the real estate exemption is available, the project will be restricted to a maximum income of 120% of AMI. Mr. Leon agreed. Ms. Edmonds suggested a commitment for longer than 15 years of the 120% of AMI restriction. Mr. Leon responded that the affordability period will be the longer of 15 years or as long as the bonds are outstanding. He is concerned about refinancing options at the end of 15 years. The LURA will affect the appraised value of the property. Mr. Forbes stated that he would prefer a longer term for the LURA. Motion made by Michael Hartman, seconded by Barry Forbes and carried unanimously to require that the LURA will reflect not only 20% of units at 50% of AMI, but also a maximum AMI of 120% as long as the real estate tax exemption is available for which the owner must apply, that the issue must close by December 31, 2023, and to approve Resolution 2023-05 entitled:

RESOLUTION REGARDING THE OFFICIAL ACTION OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY RELATIVE TO THE ISSUANCE OF NOT TO EXCEED \$15,750,000 IN

MULTIFAMILY HOUSING REVENUE BONDS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, EQUIPPING, AND DEVELOPING A MULTIFAMILY RESIDENTIAL HOUSING FACILITY FOR PERSONS OR FAMILIES OF LOW, MIDDLE OR MODERATE INCOME; FURTHER AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BY AND BETWEEN THE AUTHORITY AND THE VENUE AT HERITAGE OAKS PARTNERS, LTD.; AND PROVIDING AN EFFECTIVE DATE.

Ms. Edmonds indicated that the applicant may not have the permit ready letter at closing. Mr. Leon stated that, if that is the case, only \$50,000 will be drawn at closing, with the balance of the bonds held in escrow until construction is commenced. The applicant will be all fees at closing out of pocket. Mr. Hartman pointed out that the risk is on the developer.

- X. Report of Public Resources Advisory Group, Inc.: Motion made by Jim Katehakis, seconded by Michael Hartman and carried unanimously to approve a one year extension of Financial Advisor Agreement.
- XI. Report of Angela A. Abbott, Esquire: Ms. Abbott indicated that, following the merger of Wells Fargo Trust with ComputerShare, the online statement access system is changing. She requested that the Authority approve the online access agreement to authorize her to have online access to the trust account records. Motion made by Michael Hartman, seconded by Barry Forbes and carried unanimously to grant to requested approval.
- XII. Other:
 - A. Approval of request for contribution to Sadowski Education Effort: Motion made by Jim Katehakis, seconded by Michael Hartman and carried unanimously to approve a \$20,000 contribution to the Sadowski Education Effort.
 - B. Approval of extension of engagement letter with Carr, Riggs & Ingram, LLC: Motion made by Michael Hartman, seconded by Jim Katehakis, and carried unanimously to approve a two year extension of the engagement of Carr, Riggs & Ingram, LLC for a fee of \$15,500 per year.
 - C. Alison Colvard stated that she would like to contact Brevard County to explore partnering options to more fully utilize SHIP funds in conjunction with the Authority's programs. The Authority members agreed.
- XIII. Motion by Jim Katehakis, seconded by Barry Forbes and carried unanimously to adjourn the meeting at 3:51 p.m.