

BREVARD COUNTY HOUSING FINANCE AUTHORITY
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MINUTES
October 25, 2023

The Brevard County Housing Finance Authority convened on the 25th day of October 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
Barry Forbes, Secretary/Treasurer
James Katehakis, Asst. Secretary/Treasurer
Angela A. Abbott, Attorney for the Authority

Present by telephone: Michael Hartman, Vice Chairman
Ale Fischer, Nabors, Giblin & Nickerson
Chandler Lugar, RBC Capital Markets
Robert Bowser, Esq., Akerman LLP
Debbie Blinderman, DDB Affordable Housing Consulting, LLC.
Paul Shevchuk, Omni New York, LLC

- I. The Chairman opened the public hearing at 3:06 p.m., regarding the proposed issuance of not to exceed \$16,750,000, 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 3:07 p.m.
- II. The Chairman called the meeting to order at 3:07 p.m., determined the presence of a quorum and acknowledged publication of the notice of meeting.
- III. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.
- IV. Consent Agenda: Motion made by Jim Katehakis, seconded by Barry Forbes and carried unanimously to approve the Consent Agenda as follows:
 - A. Approval of Minutes of August 23, 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 3rd Quarter, 2023
 - D. Approval of payment of invoices of Angela A. Abbott, P.A. for 3rd Quarter, 2023

- E. Approval of reimbursement of Florida Housing Coalition expenses
 - F. Approval of payment of Florida ALHFA annual dues for 2023-2024
 - G. Approval of payment of Annual Special District fee for FY 2023-2024
 - H. Approval of Public Depositor Annual Report to Chief Financial Officer
 - I. Approval of payment of NALHFA, FLAHFA and Florida Housing Coalition conference registration fees and authorization to incur reimbursable expenses for 2024
 - J. Approval of 2024 Public Meeting Schedule
- V. Report of Treasurer, Barry Forbes: Presentation of 4th Quarter, FY 2022-2023 Treasurer's Report: Mr. Forbes presented the budget comparison, balance sheet and checkbook ledger for the fourth 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 for one year terms. Motion made by Jim Katehakis, seconded by Barry Forbes and carried unanimously to accept the report of the Treasurer into the record.

Pursuant to the discussion at the last meeting, Mr. Forbes investigated ways to increase the earnings on the Truist checking account. Truist proposed using a product called an I.C.E., which is a sweep account. The problem with the account is that funds are invested in various banks, which could result in exceeding the FDIC insurance limits. Further, some of the banks may not be qualified public depositories. This would be a violation of the Authority's investment policy. Mr. Forbes recommended that the Authority not use the proposed product. He has requested that Truist provide the best rate it can on a money market account. He suggested that the Authority move \$500,000 to the DPA custody account with BNY Mellon. Ms. Abbott noted that since loan activity is increasing this transfer is appropriate. The account is currently earning 5.26%. Mr. Forbes further suggested keeping two years' expenses and the developer deposits in the Truist account and transferring more funds (\$800,00) to the Fidelity account for investment in CD's. Motion by Jim Katehakis, seconded by Kamran Sarkarati and carried unanimously to approve the transfer of \$500,000 to the DPA custody account with BNY Mellon, \$800,000 to the Fidelity account and to open a higher yield money market account with Truist. Mr. Sarkarati thanked Mr. Forbes for his efforts in researching the investment options.

VI. 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 presented a form of the Mortgage and Note for the funding of the loan for the keylessentry system. The forms are almost identical to the ones utilized for the prior loan to Crosswinds. They are still waiting for the contract with D. J. J. The amount of the loan is expected to be less than \$40,000. Lynn Cowart is requesting that the Authority's funds be available up front as

opposed to a reimbursement. Motion made by Jim Katehakis, seconded by Barry Forbes and carried unanimously to up-front loan of up to \$40,000.

VII. 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 August and September, 2023. She indicated that one new loan closed, five loans paid off, one new foreclosures was filed and one foreclosure was dismissed. There are two loans 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, 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 has received no responses to date to the demand letters.
- C. Quarterly status report on second mortgages: Ms. Abbott presented the status report on second mortgages as of September 30, 2023. There were three new loans, eight payoffs, one new foreclosure filed and one foreclosure dismissed during the last quarter.

VIII. Multi—Family Programs:

- A. Discussion regarding status of application of Emerald Place Florida, L.P. (Emerald Place Project): Paul Shevchuk stated that the financing is ready for credit underwriting. Seltzer Management Group has been assigned as the credit underwriter. Board of County Commission approval is expected on November 14, 2023.
- B. Discussion regarding application of The Venue at Heritage Oaks Partners, Ltd.: Ms. Abbott stated that an amended application has been submitted to increase the bond issue size by \$1 million due to increases in construction costs, property insurance and a change from wood to concrete block construction. Mr. Hartman noted that he thinks the increased bond amount will be necessary to meet the fifty percent test, since the project is likely to apply for non-competitive tax credits. Motion made by Jim Katehakis, seconded by Barry Forbes and carried unanimously to approve Resolution 2023-06 entitled:
- C. Discussion regarding application of The Venue at Heritage Oaks Partners, Ltd.: Ms. Abbott stated that an amended application has been submitted to increase the bond issue size by \$1 million due to increases in construction costs, property insurance and a change from wood to concrete block construction. Mr. Hartman noted that he thinks the increased bond amount will be necessary to meet the fifty percent test, since the project is likely to apply for non-competitive tax credits. Motion made by Jim Katehakis, seconded by Barry Forbes and carried unanimously to approve Resolution 2023-06 entitled:

RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 23-05 OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY, TO READ AS FOLLOWS:

"RESOLUTION REGARDING THE OFFICIAL ACTION OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY RELATIVE TO THE ISSUANCE OF NOT TO EXCEED \$16,750,000 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. Abbott stated that this, as well as all other TEFRA hearing approvals, are expected to go to the County Commission on November 14, 2023. The Venue at Heritage Oaks is the only issue that will close prior to year end and will utilize carryforward allocation that is expiring.

- IX. Report of Angela A. Abbott, Esquire: Ms. Abbott stated that the Florida Division of Bond Finance is proposing a change in the way in which allocation is distributed. It is proposing to abolish the regional pools in favor of a statewide single family pool and a statewide multifamily pool. Local issuers would have to close their issues within 9 months and there is no carryforward. Due to the fact that local issuers will have no guaranty of receiving any allocation and the short time frame for use, FLALHFA is lobbying against the proposed change.
- X. Other:
 - A. Underwriter RFP: Ms. Abbott stated that it has been seven years since the last RFP for underwriters, the Authority needs to distribute the RFP. The Authority concurred with the distribution of the RFP for consideration at the next meeting.
 - B. Barry Forbes stated that he attended a meeting in Titusville a couple of weeks ago on homelessness and affordable housing. Carrfour is developing a project in Titusville and is getting resistance from neighbors adjacent to the development.
- XI. Motion by Jim Katehakis, seconded by Barry Forbes and carried unanimously to adjourn the meeting at 3:31 p.m.