

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
July 30, 2010**

TIME: 8:30 a.m.

LOCATION: Tallahassee City Hall Commission Chambers
300 South Adams Street
Tallahassee, FL

BOARD MEMBERS PRESENT:

Stuart Scharaga, Vice Chairman
Marilyn Carl
Cliff Hardy
Lynn Hanfman
Jerry Maygarden
Len Tylka

CORPORATION STAFF PRESENT:

Stephen P. Auger
Wayne Conner
Rebecca DelaRosa
Laura Cox
Sheila Freaney
Barbara Goltz
Wellington Meffert
Nancy Muller
Stephanie Sgouros
Kevin Tatreau
David Westcott

ADVISORS AND OTHERS PRESENT:

Mark Mustian, Nabors, Giblin & Nickerson
Jan Carpenter, Shuffield Lowman
Chris Bryant, Oertel, Fernandez, Cole and Bryant
Doug McCree, First Housing
Phil Kennedy, American Opportunity Foundation
Greg Dunfield, Vitus Development
Rex Tilley, Amerinational Community Services
Scott Culp, Atlantic Housing

Chairman Oellerich called the meeting to order at 8:30 a.m.

MINUTES

Item A, Approval of Minutes of April 30, 2010, Board Meeting. Vice Chairman Scharaga asked for a motion to approve the Minutes of the April 30, 2010, Board Meeting.

Motion to approve the Minutes was made by Ms. Hanfman with a second by Mr. Hardy.
Motion passed unanimously.

Item B, Approval of Minutes of June 18, 2010, Board Meeting. Vice Chairman Scharaga asked for a motion to approve the Minutes of the June 18, 2010, Board Meeting.

Motion to approve the Minutes was made by Mr. Hardy with a second by Ms. Hanfman.
Motion passed unanimously.

Item C, Approval of Minutes of July 2, 2010, Telephonic Board Meeting. Vice Chairman Scharaga asked for a motion to approve the Minutes of the July 2, 2010, Telephonic Board Meeting.

Motion to approve the Minutes was made by Mr. Hanfman with a second by Mr. Hardy.
Motion passed unanimously.

MISCELLANEOUS

Item A, Ratification of Board Action at July 2, 2010, Telephonic Board Meeting. Wellington Meffert asked the Board to ratify all Board actions taken during the July 2, 2010, Telephonic Board Meeting.

Motion to ratify Board actions was made by Ms. Hanfman with a second by Mr. Hardy.
Motion passed unanimously.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Item A, The Fountains at Pershing Park. Kevin Tatreau asked the Board to approve the credit underwriter's recommendation and direct staff to rescind the Tax Credit Exchange Program funds and Housing Credit Allocation for The Fountains at Pershing Park.

Motion to approve staff's recommendation was made by Mr. Hardy with a second by Mr. Maygarden.

Chris Bryant, of the law firm of Oertel, Fernandez, Cole and Bryant, spoke on behalf of SAF Fountains at Pershing, Ltd., and asked the Board not to accept the credit underwriter's recommendation to rescind the funds.

Doug McCree, of First Housing, spoke in support of the recommendation in the credit underwriting report.

Motion passed unanimously.

INTERNAL AUDIT

Item A, Approval of Internal Audit Charter. Stephanie Sgouros asked the Board to approve the updated Internal Audit Charter.

Motion to ratify Board actions was made by Mr. Tylka with a second by Ms. Carl.
Motion passed unanimously.

MULTIFAMILY BONDS

Item A, Request Approval of the Recommendation of the Final Credit Underwriting Report for TM Alexander. Wayne Conner asked the Board to approve the negative recommendation in the credit underwriting report for TM Alexander.

Motion to approve staff's recommendation was made by Ms. Hanfman with a second by Mr. Hardy.

Phil Kennedy, president of the American Opportunity Foundation, the general partner of the applicant, asked the Board not to accept the negative recommendation in the credit underwriting report.

Greg Dunfield, of Vitus Development, also asked the Board not to accept the negative recommendation in the credit underwriting report.

Rex Tilley, of Amerinational Community Services, spoke in support of the recommendation in the credit underwriting report.

Motion passed unanimously.

A recess was called.

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Request for Proposals (RFP) for Hearing Officer Services. Wellington Meffert asked the Board to authorize staff to enter into contract negotiations with Rose, Sundstrom & Bentley, LLC, for Hearing Officer Services. He also asked the Board to authorize staff to enter into contract negotiations with Amundsen & Smith for Hearing Officer Services, with the requirement that they attend at least one informal hearing with the hearing officers from Rose, Sundstrom & Bentley before presiding at an informal hearing.

Motion to approve staff's recommendation was made by Mr. Hardy with a second by Mr. Maygarden. Motion passed unanimously.

Item B, Request for Qualifications Housing Counseling Agencies for the Hardest Hit Fund for Mortgage Intervention Strategy Services. David Westcott asked the Board to authorize staff to enter into contract negotiations with 39 of the 41 respondents to the Request for Qualifications for Housing Counseling Agencies for the Hardest Hit Fund for Mortgage Intervention Strategy Services, subject to contingencies specific to each respondent.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Ms. Hanfman. Motion passed unanimously.

SPECIAL ASSETS

Item A, Approve Forbearance of Set-aside Requirements for Housing Credit Developments Beyond the Fifteen-Year Compliance Period with Low Occupancies.

Laura Cox asked the Board to allow Developments with LIHTC funding only with all buildings beyond the initial "15-year Compliance Period" that have physical occupancy levels below 95% to serve tenant populations above 60% of Area Median Gross Income (AMGI) or the National Nonmetropolitan Median Gross Income (NNMGI) when applicable, as adjusted for family size, for no more than 20% of the total number of units at the Development for a one-year period and direct staff to proceed with forbearance agreements as determined by FHFC legal staff.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Ms. Hanfman. Motion passed unanimously.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Item A, Request to Use Remaining State Apartment Incentive Loan Program Funding.

Steve Auger asked the Board to allocate \$5 million in remaining SAIL funding to the 2011 Universal Application Cycle to fund one Homeless transaction and allocate ELI funding (almost \$28.5 million) and remaining SAIL funding (just over \$23.3 million) through a Request for Proposals process to existing Florida Housing developments, giving preference to developments in the Guarantee Fund portfolio, to "buy down" the AMI set-aside for units targeted to 60% AMI so that they will be set-aside for ELI households.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Ms. Carl. Motion passed unanimously.

Scott Culp, of Atlantic Housing, asked the Board for a preliminary commitment of 2010 SAIL interest funds up to the amount deobligated from Atlantic Housing's Malabar II and Fountains IV developments.

Motion to preliminarily commit 2010 SAIL interest funds up to the amount deobligated from Atlantic Housing's Malabar II and Fountains IV developments was made by Ms. Hanfman with a second by Mr. Hardy. Motion passed unanimously.

STRATEGIC PLAN UPDATE

Steve Auger directed the Board's attention to the Strategic Plan Update contained in the Board Package and asked them to contact staff with any questions they might have about the plan or its implementation.

CONSENT AGENDA

Steve Auger stated that Multifamily Bonds Consent Item B, New Horizons Apartments was being pulled from consideration.

Mr. Hardy recused himself from the vote on ARRA Consent Item M, Arbors at Ft. King. Ms. Carl recused herself from the vote on LIHTC Consent Item A.

Chairman Oellerich asked for a motion to approve the remaining items on the Consent Agenda.

Motion to approve the items on the Consent Agenda, excluding Multifamily Bonds Item B, ARRA Item M, and LIHTC Item A was made by Ms. Hanfman with a second by Mr. Maygarden. Motion passed unanimously.

Due to conflicts of Mr. Hardy and Ms. Carl, the items contained in LIHTC Item A and ARRA Items M and N were taken as individual items.

Mr. Auger asked the Board to approve the extension request for Village Carver II.

Motion to approve staff's recommendation was made by Ms. Hanfman with a second by Mr. Maygarden. Motion passed unanimously with Mr. Hardy recusing himself.

Mr. Auger asked the Board to approve the extension request for Covington Club Apartments, Phase I.

Motion to approve staff's recommendation was made by Ms. Hanfman with a second by Mr. Maygarden. Motion passed unanimously.

Mr. Auger asked the Board to approve the extension request for Hammock Harbor.

Motion to approve staff's recommendation was made by Ms. Hanfman with a second by Mr. Maygarden. Motion passed unanimously with Ms. Carl recusing herself.

Mr. Auger asked the Board to approve the extension request for Panama Commons.

Motion to approve staff's recommendation was made by Mr. Maygarden with a second by Ms. Carl. Motion passed unanimously.

Mr. Auger asked the Board to approve the extension request for The Portland.

Motion to approve staff's recommendation was made by Mr. Maygarden with a second by Ms. Hanfman. Motion passed unanimously with Mr. Hardy recusing himself.

Mr. Auger asked the Board to approve the extension request for Charlotte Crossing.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Mr. Maygarden. Motion passed unanimously.

Mr. Auger asked the Board to approve the extension request for Mirabella Apartments.

Motion to approve staff's recommendation was made by Mr. Tylka with a second by Mr. Maygarden. Motion passed unanimously.

Mr. Auger asked the Board to approve the extension request for Grand Reserve at Zephyrhills.

Motion to approve staff's recommendation was made by Mr. Hardy with a second by Mr. Maygarden. Motion passed unanimously.

Mr. Auger asked the Board to approve the final credit underwriting report for Arbors at Ft. King.

Motion to approve staff's recommendation was made by Ms. Hanfman with a second by Mr. Tylka. Motion passed unanimously.

Mr. Tatreau asked the Board to approve the credit underwriting report for Flagler Village.

Motion to approve staff's recommendation was made by Mr. Maygarden with a second by Ms. Hanfman. Motion passed unanimously.

Hearing no further business, the July 30, 2010, Board of Directors' Meeting was adjourned at 12:04 p.m.