

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
August 8, 2014**

TIME: 8:30 a.m.

LOCATION: Hyatt Regency Coral Gables
50 Alhambra Plaza
Coral Gables, Florida

BOARD MEMBERS PRESENT:

Barney Smith, Chairman
Ray Dubuque
John Hawthorne
Brian Katz
Len Tylka
Howard Wheeler

CORPORATION STAFF PRESENTING:

Stephen P. Auger
Todd Fowler
Sheila Freaney
Barbara Goltz
Wellington Meffert
Ken Reecy

OTHERS PRESENTING:

Michael Donaldson, Carlton Fields
Albert Milo, Robert King High

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

MINUTES

Item A, Approval of Minutes of the June 13, 2014, Board Meeting. Chairman Smith asked for a motion to approve the Minutes of the June 13, 2014, Board Meeting.

Motion to approve the Minutes was made by Mr. Hawthorne with a second by Mr. Dubuque. Motion passed unanimously.

LEGAL

Item A, SP Caravel Apartments, LLC, and Southport Development, Inc., d/b/a Southport Development Services, Inc. v. Florida Housing Finance Corporation – FHFC Case No. 14-064BP; and SP ST Apartments, LLC, and Southport Development, Inc. d/b/a Southport Development Services, Inc. v. Florida Housing Finance Corporation – FHFC Case No. 14-063BP. Wellington Meffert stated that SP Caravel Apartments, LLC, and Southport Development d/b/a Southport Development Services, Inc. v. Florida Housing Finance Corporation and SP ST Apartments, LLC, and Southport Development, Inc. d/b/a Southport Development Services, Inc. v. Florida Housing Finance Corporation are paired cases and part of RFA 2014-103, the SAIL RFA. He stated that Caravel and Serenity, or ST, applied for SAIL funding and both applications were rejected. He stated that the issue with Caravel was the definition of a financial institution, but during preparation for hearing, an agreement was reached that Caravel had satisfied the requirement. He stated that ST's case was dismissed by the Petitioner. He asked the Board to approve staff's recommendation to approve the consent agreement and close both cases.

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

Item B, Robert King High Preservation Phase One, LLC v. Florida Housing Finance Corporation, FHFC Case No. 2014-062BP – (Intervenors: Coquina Place Associates, Ltd. and Talcocy Tuscany Cove, LLC, LP, and HTG Broward 3 LLC). Wellington Meffert stated that Robert King High Preservation Phase One, LLC v. Florida Housing Finance Corporation was the third SAIL RFA 2014-103 case. He stated that Robert King High applied for funding and was found to not qualify based on failure of site control which was caused by a provision in the contract. He stated that Robert King High petitioned and the case went to an informal hearing before the Florida Housing Hearing Officer, who issued a recommended order which found that Florida Housing correctly scored the item. He stated that exceptions to the recommended order were filed by Robert King High Preservation contesting the recommendation of the hearing officer and several provisions therein. He asked the Board to approve staff's recommendation to reject all the exceptions and adopt the recommended order as presented.

Motion to approve staff's recommendation was made by Mr. Hawthorne with a second by Mr. Dubuque.

Michael Donaldson, representing Robert King, introduced Albert Milo, a principal of Robert King High.

Albert Milo asserted that the applicant did have site control by virtue of the leases signed by the Miami-Dade County Deputy Mayor and the County Attorney of Miami-Dade County, and attested to by the Clerk of the Board of Miami-Dade County. He asked that Deputy Mayor Russell Benford be allowed to address the Board to confirm his assertion. Wellington Meffert objected and stated that allowing Deputy Mayor Benford to assert new information would constitute additional testimony, which is not allowed.

Mr. Meffert restated the motion to accept the recommended order, adopt the findings of fact and conclusions of law and reject each and every one of the exceptions to the recommended order.

Motion passed unanimously.

Chairman Smith recognized Deputy Mayor Russell Benford and thanked him for his work with Florida Housing.

Steve Auger then asked the Board to approve staff's recommendation to use the returned SAIL funds from the withdrawn awards and continue down the ranking as laid out in the RFA to fund Harbour Court in Polk County. Mr. Meffert added that as a result of the adoption of the prior consent agreement, Caravel Arms would also be funded.

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

Item C, In Re: Resolution 2014-12, Signature Authority. Wellington Meffert asked the Board to adopt Resolution 2014-12 granting signature authority to Brantley Henderson, as assistant secretary, which will allow him to attest to bond documents.

Motion to approved staff's recommendation was made by Mr. Dubuque with a second by Mr. Hawthorne. Motion passed unanimously.

MULTIFAMILY PROGRAMS

Item A, 2014 Rule Development. Ken Reecy asked the Board to approve the proposed changes to the 2015 Qualified Allocation Plan and to Rule Chapters 67.32, 67.48 and 67.60, Florida Administrative Code and authorize staff to file the rules for adoption if a notice of change is not required; however, if a notice of change is required, he asked the Board to authorize the Chair to determine whether a notice change makes material substantive changes, and if it does not, he asked the Board to approve such notice of change without the requirement of another Board Meeting. He stated that in the alternative, if the Chair determines that the notice of change is material or substantive, staff recommends that a telephonic board meeting be called to obtain Board approval for any required changes, with such changes being ratified at the next regularly scheduled Board Meeting.

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

Item B, Request for Applications (RFA) 2014-100 – HOME Financing to be used for Rental Developments in Rural Areas. Ken Reecy stated that the RFA was open to applicants proposing the construction of affordable housing utilizing HOME Investment Partnership Program funding for development in rural areas. He stated that an RFA was issued offering an estimated \$20 million in available funding. He stated that six applications were received and reviewed by the review committee. He stated that the committee met on July 31 to give their scores and submit a recommendation to the Board. He asked the Board to approve the review committee's recommendation to adopt the scoring results of the six applications as set forth on Exhibit A and authorize the tentative selection of the applications set forth in Exhibit B to enter credit underwriting. He stated that if no notice of protest or formal written protest is filed, staff will issue the invitations to credit underwriting; however, if a notice of protest is filed, at the completion of all litigation, all recommended orders will be presented to the Board for approval prior to the issuance of the invitations to the applications in the funding range.

Motion to approve staff's recommendation was made by Mr. Dubuque with a second by Mr. Hawthorne.

Steve Auger also asked the Board to approve staff's recommendation to authorize the use of approximately \$8.5 million of next year's allocation of HOME funding to fund the two applications that were eligible but unfunded.

Mr. Dubuque amended his motion to include Mr. Auger's recommendation and Mr. Hawthorne amended his second. Motion passed unanimously.

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Investment Banking Services. Barb Goltz stated that the RFQ for Investment Banking Services was issued in June 2014 and 17 responses were received. She asked the Board to approve the review committee's recommendation to approve the selection of the top three ranked offerors – Citigroup Global Markets, Morgan Stanley & Company and RBC Capital Markets, as senior managers and book running investment bankers. She asked the Board to approve the review committee's recommendation to approve Bank of America, Merrill Lynch, JP Morgan and Raymond James as non-book running co-managers for the single family bond program. She asked the Board to approve the review committee's recommendation to approve City Securities Corporation, Janney Montgomery Scott, Stern Brothers and Wells Fargo Securities as members of the selling group for the single family program.

Motion to approve the staff's recommendation was made by Mr. Hawthorne with a second by Mr. Dubuque. Motion passed unanimously.

Ms. Goltz asked the Board to approve the review committee's recommendation to authorize Bank of America, Merrill Lynch, Citigroup Global Markets, JP Morgan Securities, Morgan Stanley & Company, Raymond James & Associates, RBC Capital Markets, Stern Brothers & Company and Wells Fargo to sell bonds in the multifamily program.

Motion to approve the staff's recommendation was made by Mr. Hawthorne with a second by Mr. Dubuque. Motion passed unanimously.

Ms. Goltz asked the Board to approve the review committee's recommendation to authorize RBC Capital Markets to track the genealogy of repayments and run consolidated cash flows for the single family indentures; but if contract negotiations fail with RBC Capital Markets, to authorize staff to enter into contract negotiations with the second highest ranked offeror, JP Morgan Securities.

Motion to approve the staff's recommendation was made by Mr. Hawthorne with a second by Mr. Dubuque. Motion passed unanimously.

Ms. Goltz asked the Board to approve the review committee's recommendation to authorize staff to enter into contract negotiations with Raymond James & Associates to provide a no risk forward delivery TBA program for all conventional loans, and if contract negotiations fail with Raymond James, to allow staff to enter into contract negotiations with the second highest ranked offeror, First Southwest.

Motion to approve the staff's recommendation was made by Mr. Hawthorne with a second by Mr. Dubuque. Motion passed unanimously.

Item B, Review for Proposal for Business Insurance. Barb Goltz asked the Board to authorize staff to go out with a solicitation to select an insurance agent of record for the corporation and to authorize the Executive Director to establish a review committee to make a recommendation to the Board.

Motion to approve the staff's recommendation was made by Mr. Dubuque with a second by Mr. Hawthorne. Motion passed unanimously.

Item C, Procurement Process for Electronic Payroll/Human Resources System. Barb Goltz asked the Board to authorize staff to begin the solicitation process to select an electronic payroll/human resources solution and to authorize the Executive Director to establish a review committee to make a recommendation to the Board.

Motion to approve the staff's recommendation was made by Mr. Hawthorne with a second by Mr. Dubuque. Motion passed unanimously.

CONSENT AGENDA

Chairman Smith stated that Legal Consent Item A was being pulled for a separate vote, as Board Member Howard Wheeler was recusing himself from that vote.

Legal Consent Item A, Palmetto Court Apartments. Wellington Meffert asked the Board to approve staff's recommendation to grant the request for waiver to allow a different air conditioning type of 16 SEER air conditioner with heat strips rather than heat pumps.

Motion to approve the staff's recommendation was made by Mr. Dubuque with a second by Mr. Tylka. Motion passed unanimously with Howard Wheeler abstaining from the vote.

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

Motion to approve the remaining items on the Consent Agenda was made by Mr. Dubuque with a second by Mr. Tylka. Motion passed unanimously.

PUBLIC COMMENT

No public comments were offered.

Chairman Smith adjourned the meeting at 9:30 a.m.

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Wheeler, Howard L., Jr.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Florida Housing Finance Corporation
MAILING ADDRESS 2834-A Edison Avenue	NAME OF STATE AGENCY n/a
CITY COUNTY Fort Myers Lee	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE
DATE ON WHICH VOTE OCCURRED August 8, 2014	

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, committee, or as a member of the Legislature. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may not vote on a matter that you know would inure to your special private gain or loss. However, you may vote on other matters, including measures that would inure to the special private gain or loss of a principal by whom you are retained (including the parent or subsidiary or sibling organization of a principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. If you vote on such a measure or if you abstain from voting on a measure that would affect you, you must make every reasonable effort to disclose the nature of your interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes. If it is not possible for you to file a memorandum before the vote, the memorandum must be filed with the person responsible for recording the minutes of the meeting no later than 15 days after the vote.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

A member of the Legislature may satisfy the disclosure requirements of this section by filing a disclosure form created pursuant to the rules of the member's respective house if the member discloses the information required by this subsection, or by use of Form 8A.

* * * * *

APPOINTED OFFICERS:

As a person holding appointive state office, you are subject to the abstention and disclosure requirements stated above for Elected Officers. You also must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, Howard L. Wheeler, Jr., hereby disclose that on August 8, 20 14 :

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____ ;
- inured to the special gain or loss of my relative, _____ ;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of Pinnacle Housing Group, LLC, which is the parent, subsidiary, or sibling organization of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

August 8, 2014 Legal Consent Agenda Item III.A., PC Redevelopment Partners, LLC. FHFC Case No. 2014-071VW (Application No. 2011-118C), a request for rule waiver.

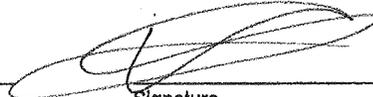
I am a principal in Chris-Tel Company of South Florida, Inc., General Contractor on a project being developed by Sabal Palm Preservation, LLC, a subsidiary of Pinnacle Housing Group, LLC, a co-developer in the referenced agenda item.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

Date Filed

8/13/2014

Signature



NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

FLORIDA HOUSING FINANCE CORPORATION

WRITTEN NOTICE
OF CONFLICT OF INTEREST
CONCERN

WHEREAS, F. S. 420.512 precludes a member of the Corporation Board from having an interest either direct or indirect in any contract to which the Corporation is or is to be a party or in any sponsor or in any lending institution requesting a loan from, or offering to sell mortgage loans or obligations to the Corporation, and shall not have a financial interest in, and shall not be a member of a board or an officer or an employee of, an applicant in any program administered by the corporation which is competitively bid or selected; any such interest must be disclosed to the Corporation in writing and shall be set forth in the minutes of the Corporation; and

WHEREAS, the member with such interest shall not participate in the discussion of any action by the Corporation with respect to the contract, sponsor or lending institution; and

WHEREAS I, Howard L. Wheeler, Jr., am a member of the Corporation Board of Directors and am concerned about a possible conflict of interest with regard to the Corporation's consideration of the matters described herein, and have therefore elected to file a Written Notice of Conflict of Interest Concern and have elected to refrain from participation in any action on the below described matter at the meeting of the Board on August 8, 2014.

MEMBER NAME: Howard L. Wheeler, Jr.

MATTER BEING DISCUSSED: August 8, 2014: Legal Consent
Agenda Item III.A. PC
Redevelopment Partners, LLC
FHFC Case No. 2014-071VW
(Application 2011-118C)

NATURE OF CONCERN: I am a principal in Chris-Tel Company of Southwest Florida, Inc., General Contractor on a project being developed by a subsidiary of the developer in this matter, to which a gain or loss may inure.



HOWARD L. WHEELER, JR.
8/13/2014