

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
May 6, 2016**

TIME: 8:30 a.m.

LOCATION: Hyatt Regency Jacksonville
225 East Coastline Drive
Jacksonville Florida

BOARD MEMBERS PRESENT:

Barney Smith, Chairman
Natacha Munilla, Vice Chair
Renier Diaz de la Portilla
Ray Dubuque
John Hawthorne
Brian Katz
Taylor Teepell
Len Tylka
Howard Wheeler

CORPORATION STAFF PRESENTING:

Stephen P. Auger
Hugh Brown
Barb Goltz
Chris McGuire
Nancy Muller
Ken Reecy

OTHERS PRESENTING:

Michael Donaldson, Carlton Fields
Mark DuMas, Brownsville
Chris Bryant, Oertel, Fernandez, Bryant and Atkinson
Sean Wilson, Blue Sky Communities
Debra Reyes, Neighborhood Lending Partners

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

MINUTES

Item A, Approval of Minutes of the March 18, 2016, Board Meeting. Chairman Smith asked for a motion to approve the Minutes of the March 18, 2016, Board Meeting.

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

AREAS OF OPPORTUNITY PRESENTATION

Nancy Muller gave a presentation to the Board and responded to questions on areas of opportunity and how they are proposed to be incorporated into the way Florida Housing allocates Low Income Housing Tax Credits.

FISCAL

Item A, Unrestricted Net Position. Barb Goltz asked the Board to approve the designation of unrestricted net position as set forth in the handout provided to them.

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

FORECLOSURE COUNSELING PROGRAM

Item A, Request Approval of Implementation Plan for the Expansion of Activities Under the Foreclosure Counseling Program (FCP). Nancy Muller asked the Board to approve the staff recommendation to expand activities allowed under the Foreclosure Counseling Program.

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

LEGAL

Item A, Redding Development Partners, LLC, and HTG Hammock Ridge, LLC, vs. Florida Housing Finance Corporation. Chris McGuire asked the Board to approve staff's recommendation to reject all exceptions filed in the Redding Development Partners, LLC, and HTG Hammock Ridge, LLC, vs. Florida Housing matter, and accept the recommended order of the Administrative Law Judge as is.

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

Michael Donaldson, of Carlton Fields, representing The Pines, Grove Manor and Brownsville, asked the Board to reject the Administrative Law Judge's recommended order, and introduced Mark DuMas, from Brownsville, who did the same.

Chris Bryant, with Oertel, Fernandez, Bryant and Atkinson, representing Redding Development, spoke in opposition to Mr. Donaldson's position.

Hugh Brown spoke in support of Mr. McGuire's position.

Motion passed by a vote of six to three, with Mr. Wheeler, Mr. Hawthorne and Mr. Dubuque casting the dissenting votes.

MULTIFAMILY PROGRAMS

Item A, Request for Applications (RFA) 2015-108 for Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County. Ken Reecy stated that RFA 2015-108 was issued to solicit applications for almost \$5 million in housing credits available for proposed developments located in Miami-Dade County. He asked the Board to approve the review committee's recommendation to adopt the scoring results for the 50 applications received and authorize the tentative selection of two applications for invitation into credit underwriting. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statute, staff would then proceed with the credit underwriting process; but if a notice of protest was received, any recommended orders would be brought to the Board prior to beginning the credit underwriting process.

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

Item B, Request for Applications (RFA) 2016-101 HOME Financing to be used for Rental Developments Located in Rural Areas. Ken Reecy stated that RFA 2016-101 was issued to solicit applications for \$15 million in HOME funding to applicants for construction of affordable housing utilizing HOME rental program funding for developments in rural areas. He asked the Board to approve the review committee's recommendation to adopt the scoring results for all nine applications received and authorize the tentative selection of three applications for funding. He stated that would leave a balance of just under \$1.5 million, which may be distributed as approved by the Board, and asked the Board to allocate available program income and the remaining balance of the HOME funding in this RFA and authorize the tentative selection of the remaining two eligible applications. He stated that if no notice of protest or formal written protest is filed in accordance with Florida Statute, staff would then proceed with the credit underwriting process; but if a notice of protest was received, any recommended orders would be brought to the Board prior to beginning the credit underwriting process.

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

Item C, Request for Applications (RFA) 2016-104 for SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing. Ken Reecy stated that RFA 2016-104 was issued to solicit applications for \$4.5 million in SAIL funding to preserve farmworker and commercial fishing worker housing. He stated that only one application was received and was deemed ineligible due to a mortgage shortfall. He asked the Board to approve the review committee's recommendation to adopt the scoring results, which leaves the entire \$4.5 million remaining which may be distributed as approved by the Board. Accordingly, he asked the Board to approve staff's recommendation to fund the sole application, even though it was deemed ineligible, on the condition that the applicant provide acceptable documentation from the mortgage lender within 21 days of being invited into credit underwriting, and if

the documentation is not received, for the invitation to credit underwriting to be rescinded, resulting in the applicant not being considered eligible for funding.

Motion to approve staff's recommendation was made by Mr. Hawthorne with a second by Ms. Munilla. Motion passed by a vote of seven to two with Mr. Dubuque and Mr. Katz casting the dissenting votes.

Item D, Request for Approval to Allocate Remaining and Returned State Apartment Incentive Loan (SAIL) Funding. Steve Auger stated that the \$5 million left over from RFA 2015-112, combined with returned funding from a couple deals, some leftover farmworker funding and a little leftover Elderly Housing Community Loan money totals about \$17 million. He asked the Board to authorize staff to allocate these funds to the highest ranked eligible unfunded applications from RFA 2015-112 regardless of demographic commitment and county award tally and invite those applications to enter credit underwriting.

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

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Request for Proposals (RFP) 2016-02, Homebuyer Loan Program Servicing. Barb Goltz asked the Board to approve the review committee's recommendation for master servicing for the single family program and authorize Florida Housing to enter into contract negotiations with US Bank Home Mortgage HFA Division. She stated that the Review Committee recommended that should contract negotiations with US Bank Home Mortgage HFA Division fail, to authorize staff to issue a new solicitation for these services. She stated that because US Bank is the only master servicer that Florida Housing knows to be available at this time, going out with another RFP would not be fruitful. Accordingly, she also asked the Board to approve staff's recommendation that Florida housing negotiate a contract with US Bank on a short-term basis, with provisions for termination.

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

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM

Item A, Request Approval to Begin Rule Development Process. Nancy Muller asked the Board to authorize staff to proceed with the rule development process for the SHIP program, Rule 67-37 Florida Administrative Code.

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

CONSENT AGENDA

Chairman Smith asked for a motion to approve the items on the Consent Agenda with the exception of Legal Item D.

Motion to approve the items on the Consent Agenda with the exception of Legal Item D was made by Mr. Dubuque with a second by Mr. Tylka. Motion passed unanimously.

Chairman Smith asked for a motion to approve Consent Legal Item D.

Motion to approve Consent Legal Item D was made by Mr. Dubuque with a second by Mr. Tylka. Motion passed by a vote of eight to zero, with Natacha Munilla recusing herself from the vote due to a potential conflict of interest.

NATIONAL HOUSING TRUST FUND PRESENTATION

Nancy Muller gave the Board a brief update on the National Housing Trust Fund.

PUBLIC COMMENT

Sean Wilson, of Blue Sky Communities, alerted the Board about an action that came before the Hillsborough County Board of Commissioners to create a local dedicated funding source for affordable housing but only received two votes, and did not pass.

Debra Reyes, of Neighborhood Lending Partners, stated that as a CDFI lender and a mortgage bank lending consortium, they are aware of and concerned about the need in Florida for very low income and extremely low income units, and have submitted an application to the Capital Magnet Fund for \$3 million for units to serve these households.

Chairman Smith adjourned the meeting at 10:15 a.m.

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Natacha Munilla	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Florida Housing Finance Corporation
MAILING ADDRESS 7035-G SW 47th Street	NAME OF STATE AGENCY n/a
CITY COUNTY Miami Miami-Dade	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE
DATE ON WHICH VOTE OCCURRED May 6, 2016	

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, Natacha Munilla, hereby disclose that on May 6,, 20 16 :

- (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, Fernando Munilla Jr. (brother and business partner) ;
 - inured to the special gain or loss of my relative, Fernando Munilla Sr. (father), Fernando Munilla Jr. (brother) ;
 - inured to the special gain or loss of _____, by whom I am retained; or
 - inured to the special gain or loss of _____, 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:

May 6, 2016: Legal Consent Agenda Item III. D. Osprey Apartments, LLC, FHFC Case No. 2016-014VW, a request for rule waiver.

My father and uncles own MCM Corp., a general contracting company in South Florida. Although I am not often privy to what they bid or are working on, this particular project is familiar to me because they requested that my company, Thunder Electrical Contractors Inc., provide them a bid for the electrical scope of work. We did so in March of 2016 and after several scope reviews, we were provided a Letter of Intent on May 3, 2016.

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

6-27-16

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.