

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
June 5, 2009**

TIME: 8:30 a.m.

LOCATION: Hyatt Regency Orlando Airport
9300 Airport Blvd.
Orlando, Florida

BOARD MEMBERS PRESENT:

David Oellerich, Chairman
Stuart Scharaga, Vice Chairman
Ken Fairman
Jerry Maygarden
Lynn Stultz
Marilyn Seroyer
Len Tylka

CORPORATION STAFF PRESENT:

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

ADVISORS AND OTHERS PRESENT:

Junious Brown, Nabors, Giblin & Nickerson
Jan Carpenter, Shuffield Lowman
Mike Patillo, Ernst & Young, LLP
Scott Culp, Atlantic Housing
Gonzalo deRamon, Biscayne Housing
Brian McDonough, Stearns, Weaver, Miller
Lloyd Boggio, Carlisle Group

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

MINUTES

Chairman Oellerich asked for a motion to approve the Minutes of the April 24, 2009, Board Meeting.

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

2008 AUDITED FINANCIAL STATEMENTS

Item A, Ernest & Young. Barb Goltz introduced Mike Patillo, a partner with Ernst and Young, who presented the Board with the results of its audit of Florida Housing Finance Corporation for the year 2008.

Item B, Acceptance of the 2008 Audited Financial Statements. Barb Goltz asked the Board to accept the audit as presented by Ernst & Young.

Motion to accept the audited presented by Ernst & Young was made by Mr. Scharaga with a second by Mr. Tylka. Motion passed unanimously.

LEGAL

Item A, In Re: Fountain Terrace Apartments Limited Partnership – FHFC Case No. 2008-102UC. Wellington Meffert stated that Fountain Terrace's counsel filed a motion to strike Florida Housing's argument in opposition to the recommended order, and due to the significance of that action, asked to table the item and take it back up at the next meeting.

MISCELLANEOUS

Item A, Nine Percent Low-Income Housing Tax Credits for State Apartment Incentive Loan (SAIL) Program and Rental Recovery Loan Program (RRLP) Applicants whose Funds were De-obligated Request for Proposal 2009-01. Kevin Tatreau asked the Board to approve 11 of the 12 responses received on RFP 2009-01 and authorize staff issue invitations to credit underwriting, and reject Response 2007-163, as it failed a threshold item.

Motion to approve staff recommendation was made by Ms. Stultz with a second by Mr. Fairman. Motion passed unanimously.

Item B, Request for Atlantic Housing for Binding Commitment of Future State Apartment Incentive Loan Funding. Steve Auger asked the Board to deny Atlantic Housing's request for a binding commitment of future SAIL funding.

Motion to approve staff recommendation was made by Mr. Scharaga with a second by Mr. Maygarden.

Scott Culp, of Atlantic Housing, spoke in support of Atlantic Housing's request.

Motion passed by a vote of 6 to 1, with Mr. Fairman casting the dissenting vote.

MULTIFAMILY BONDS

Item A, Request Approval of Subordinate Financing in an Amount not to Exceed a Combined Amount of \$1,465,000 Through the Subordinate Mortgage Initiative. Wayne Conner asked the Board to approve staff's recommendation to approve the subordinated financing for Nassau Bay I and Nassau Bay II in an amount not to exceed \$1,465,000, subject to further approvals and verification of bond counsel, special counsel and Florida Housing staff.

Motion to approve staff recommendation was made by Mr. Scharaga with a second by Mr. Fairman. Motion passed unanimously.

Item B, Request Approval of Subordinate Financing in an Amount not to Exceed a Combined Amount of \$3,715,000 Through the Subordinate Mortgage Initiative. Wayne Conner asked the Board to approve staff's recommendation to approve the subordinated financing for Bernwood Trace Apartments, Indian Trace Apartments, Sabal Chase Apartments, San Marco Apartments, Sundance Pointe Apartments in an amount not to exceed \$3,715,000, subject to further approvals and verification of bond counsel, special counsel and Florida Housing staff.

Motion to approve staff recommendation was made by Mr. Fairman with a second by Mr. Scharaga. Motion passed unanimously.

Item C, Request Approval of Subordinate Financing in an Amount not to Exceed a Combined Amount of \$3,080,000 Through the Subordinate Mortgage Initiative. Wayne Conner asked the Board to approve staff's recommendation to approve the subordinated financing for Colony Park Apartments, Grande Point Apartments, Marina Bay Apartments, Venetian Isles I, Venetian Isles II and Venice Cove Apartments in an amount not to exceed \$3,080,000, subject to further approvals and verification of bond counsel, special counsel and Florida Housing staff.

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

Item C, Request Approval of Subordinate Financing in an Amount not to Exceed a Combined Amount of \$3,550,000 Through the Subordinate Mortgage Initiative. Wayne Conner asked the Board to approve staff's recommendation to approve the subordinated financing for Westwood Apartments, Whispering Woods Apartments, Windchase Apartments, Windsor Park Apartments, Woodbridge Apartments and Wyndham Place Apartments in an amount not to exceed \$3,550,000, subject to further approvals and verification of bond counsel, special counsel and Florida Housing staff.

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Item A, Request to Begin the Rule Development Process for Chapter 67-38, Florida Administrative Code, Governing the Predevelopment Loan Program. Nancy Muller asked the Board to authorize staff to begin the rule development process for Rule Chapter 67-38, Florida Administrative Code, which governs the Predevelopment Loan Program.

Motion to approve staff recommendation was made by Mr. Scharaga with a second by Mr. Fairman. Motion passed unanimously.

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Cash Flow Verification Agent Services. Barb Goltz asked the Board to authorize staff to begin the RFP process for cash flow verification agent services.

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

Item B, Investment Banking Services. Barb Goltz asked the Board to authorize staff to enter into contract negotiations for investment banker services with all offerors as members of the Multifamily Investment Pool, with Citi as investment banker for the Guarantee Program, and with Citi, Morgan Stanley and RBC Capital Markets Corporation as book running Senior Managers for the Single Family Bond Program

Motion to approve staff recommendation was made by Mr. Scharaga with a second by Mr. Fairman. Motion passed unanimously.

STATE HOUSING INITIATIVES PARTNERSHP PROGRAM (SHIP)

Item A, Request to Begin Rule Development Process for Chapter 67-37, Florida Administrative Code, Governing the SHIP Program. Nancy Muller asked the Board to authorize staff to begin the rule development process for Rule Chapter 67-37, Florida Administrative Code.

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

SOLDIERS TO SCHOLARS

Item A, Extension of the Soldiers to Scholars Subsidy Agreements for Phase II and Phase III. Barb Goltz asked the Board to authorize staff to enter into a fifth amendment for Phase II and Phase III of the Soldiers to Scholars contract.

Motion to approve staff recommendation was made by Mr. Fairman with a second by Mr. Scharaga. Motion passed unanimously.

SPECIAL PROGRAMS

Item A, Request Approval to Partner with the Florida Department of Community Affairs to Apply for Federal Neighborhood Stabilization Program Funding. Nancy Muller asked the Board to authorize staff to partner with DCA and the Florida Housing Coalition to submit consortium proposals to HUD to obtain funding for programs and technical assistance through the NSP2 program, and direct the Executive Director to sign a cooperative agreement with DCA as required by HUD.

Motion to approve staff recommendation was made by Mr. Scharaga with a second by Ms. Stultz. Motion passed unanimously.

CONSENT AGENDA

Steve Auger stated Special Assets Item A was being pulled from the Consent Agenda for discussion.

Mr. Auger asked the Board to approve the transfer of ownership interest in the managing members/general partners of the owners of 57 Carlisle Group developments with the exception of Villa Patricia, Villa Patricia II, Village Allapatah, Village Carver, Village Carver II, Village Allapatah II, Amber Gardens and Villa Patricia III, and direct staff to proceed with loan modification activities as required subject to the conditions in the credit underwriting report dated May 22, 2009.

Motion to approve Special Assets Consent Item A was made by Lynn Stultz. No second was received.

Gonzalo deRamon of Biscayne Housing Group addressed the Board and added several developments to the recommendation.

Kevin Tatreau amended staff's recommendation to include the following developments: Villa Patricia, Villa Patricia II, Village Allapatah, Village Carver, Village Carver II, Village Allapatah II, Amber Gardens, Villa Patricia III and Labre Place.

Ms. Stultz withdrew her motion.

Motion to approve staff's amended recommendation was made by Ms. Stultz with a second by Mr. Scharaga.

Mr. deRamon stated that there are other owners besides the Carlisle Group involved in these developments.

Brian McDonough of Stearns, Weaver and Miller, stated that there was no question about ownership on the developments presented.

Mr. Auger restated the recommendation and asked the Board to approve the transfer of ownership of 57 Carlisle Group developments less the nine read by Mr. Tatreau.

Lloyd Boggio of the Carlisle Group addressed the Board and explained that the change in ownership was the result of his gradual retirement from the Carlisle Group.

Motion passed unanimously.

Wellington Meffert stated that SAIL Consent Item C needed to be taken up separately so Ms. Seroyer could recuse herself from the vote.

Mr. Auger asked the Board to approve the credit underwriting report for Highland Palms Apartments, a 2007 SAIL farmworker deal, and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

Motion to approve staff's amended recommendation was made by Ms. Stultz with a second by Mr. Tylka. Motion passed unanimously, with Ms. Seroyer not voting. Motion to approve the Consent Agenda with the exception of the pulled items was made by Mr. Scharaga with a second by Mr. Fairman. Motion passed unanimously.

Hearing no further business, the June 5, 2009, Board of Directors' Meeting was adjourned at 10:32 a.m.