

**Florida Housing Finance Corporation
Board of Directors' Meeting Minutes
March 4, 2022**

TIME: 8:30 a.m.

LOCATION: Turnbull Conference Center
555 W. Pensacola Street
Tallahassee FL

BOARD MEMBERS PRESENT:

Ron Lieberman, Chairman
Mario Facella, Vice Chair
Sandra Einhorn
David Hall
Benjamin Melnick

CORPORATION STAFF PRESENTING:

Bill Aldinger
Marisa Button
Laura Cox
Sheila Freaney
David Hearn
Trey Price
David Westcott

OTHERS PRESENTING:

Ken Naylor, Atlantic Pacific

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

Ron Lieberman asked Sheila Freaney to call the roll.

Ms. Freaney called the roll. Present were Ron Lieberman, Sandra Einhorn, Mario Facella, David Hall, and Benjamin Melnick. Ryan Benson and Dev Motwani were absent.

PUBLIC COMMENT

No public comment was offered.

MINUTES

Item A, Approval of Minutes of the January 21, 2022, Board Meeting. Chairman Lieberman asked for a motion to approve the Minutes of the January 21, 2022, Board Meeting.

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

CONSENT AGENDA

Chairman Lieberman asked for a motion to approve the items on the Consent Agenda, with the exception of CDBG-DR Item E, which was pulled from the Consent Agenda for discussion later in the meeting.

Motion to approve the remaining items on the Consent Agenda was made by Ms. Einhorn, with a second by Mr. Facella. The motion passed unanimously.

LEGISLATIVE UPDATE

Trey Price updated the Board on the ongoing legislative session and how it might impact Florida Housing.

MULTIFAMILY PROGRAMS

Item A, RFA 2021-204 Housing Credit Financing for the Preservation of Affordable Multifamily Housing Developments. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the five applications received in response to RFA 2021-204 for Housing Credit Financing for the Preservation of Affordable Multifamily Housing Developments and authorize the tentative selection of all five applications for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to enter credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She stated that after funding all eligible applications, a balance of just over \$85,000 remains and staff will come back to the Board with a recommendation on the use of that funding at a later date.

Motion to approve staff's recommendation was made by Ms. Einhorn with a second by Mr. Facella. The motion passed unanimously.

Item B, RFA 2021-206 HOME Financing for the Construction of Small, Rural Developments. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the nine applications received in response to RFA 2021-206 HOME Financing for the Construction of Small, Rural Developments and authorize the tentative selection of three applications for funding and invitation into credit underwriting. She stated that after funding the three applications, a balance of just under \$3 million in HOME funding remains, and she asked the Board to authorize the use of these funds, as well as additional HOME funding available to fund a maximum of one additional eligible application. She stated the next highest ranking application is 2022-242H with a requested amount of \$5,690,000 in HOME funding. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations to credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding. She added that if, as a result of any litigation, the application funding order changes, staff has determined there is enough HOME funding available to fund a total of four applications, regardless of the results of litigation.

Motion to approve staff's recommendation was made by Ms. Einhorn with a second by Mr. Facella. The motion passed unanimously.

Item C, RFA 2022-104 SAIL Financing for Farmworker and Commercial Fishing Worker Housing. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the one application received in response to RFA 2022-104 for SAIL Financing for Farmworker and Commercial Fishing Worker Housing and authorize the tentative selection of that application for funding and invitation into credit underwriting. She stated that after funding the eligible application, a balance of \$825,000 remains and staff will come back to the Board with a recommendation on the use of that funding at a later date.

Motion to approve staff's recommendation was made by Ms. Einhorn with a second by Mr. Hall. The motion passed unanimously.

Item D, RFA 2022-301 Housing Credit Financing for Affordable Housing Developments Located in Duval County. Marisa Button asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the four applications received in response to RFA 2022-301 for Housing Credit Financing for Affordable Housing Developments Located in Duval County and authorize the tentative selection of one application for funding and invitation into credit underwriting. She stated that if no notice of protest or formal written protest is filed, staff will issue invitations into credit underwriting; however, if a notice of protest or formal written protest is filed, then at the completion of all litigation, staff will present all recommended orders to the Board for approval prior to proceeding.

Motion to approve staff's recommendation was made by Mr. Facella with a second by Ms. Einhorn. The motion passed unanimously.

Item E, Request for Approval to Allocate Remaining Funding from RFA 2021-201 to RFA 2022-208.

Marisa Button asked the Board to authorize staff to allocate the remaining \$300,000 in Housing Credit funding from RFA 2021-201 to RFA 2022-208 for SAIL and Housing Credit Financing for the Construction of Workforce Housing in Monroe County.

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

Item F, Supplement – Request to Exchange Original Award of CDBG-DR Funding with Available Corporation Resources for Metro Grande III (RFA 2019-102/RFA 2020-041D).

Marisa Button stated that on July 30, 2019, staff issued RFA 2019-102 Community Development Block Grant-Disaster Recovery (CDBG-DR) to be used In Conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities. She stated that the Board approved the Review Committee's recommendations on December 13, 2019, and following the completion of litigation and approval of the Board, staff issued a preliminary commitment letter to Metro Grande III on April 23, 2020. She stated that the Applicant had a deadline of April 24, 2021, to complete the credit underwriting report and be issued a firm loan commitment, and on March 12, 2021, the Board approved an extension of the firm commitment deadline to October 28, 2021, due to conditions created by the COVID-19 pandemic. She stated that on September 2, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the amount of \$3,175,000 and Non-Competitive Housing Credits annually in the amount of \$1,524,816, the Board approved the credit underwriting report on September 10, 2021, and a firm loan commitment was issued. She stated that pursuant to the RFA, Developments are required to comply with the HUD environmental requirements as provided in 24 CFR Part 58 and National Environmental Policy Act of 1969, so additional environmental compliance requirements were added to the funding in the Federal Register authorizing the use the CDBG-DR for Hurricane Irma. She stated that the Development will not achieve compliance with these additional HUD environmental requirements and is therefore not eligible for CDBG-DR funding, so the Applicant has requested to return the CDBG-DR funding in exchange for other available Corporation funding. Ms. Button asked the Board to approve the request for alternative available Corporation funding comprised of program income earned from previous disaster funding upon the Applicant's return of the CDBG-DR funding. She stated the funding would come from another SAIL-type program and operate as a SAIL loan with a traditional 1% interest rate and Chapter 67-48 will apply.

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

PROFESSIONAL SERVICES SELECTION (PSS)

Item A, Competitive Solicitation for Unified Threat Management Hardware. David Hearn asked the Board to authorize staff to proceed with the competitive solicitation process to procure the required hardware required to support Florida Housing's unified threat management systems.

Motion to approve staff's recommendation was made by Mr. Facella with a second by Mr. Hall. The motion passed unanimously.

Item B, Competitive Solicitation for the Housing Stability for Homeless Schoolchildren Initiative. Bill Aldinger asked the Board to authorize staff to issue a new competitive solicitation to expand the Housing Stability for Homeless Schoolchildren Initiative with up to three new county partnerships. He stated that each Board-approved applicant will be eligible to receive up to \$500,000 in HOME funds to provide tenant-based rental assistance for families with children participating in their school's McKinney-Vento Program for homeless schoolchildren.

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

Item C, Competitive Solicitation to Provide Mortgage Loan Servicing and Other Master Services Functions for the Single Family Homebuyer Loan Program. David Westcott asked the Board to authorize staff to go out with a competitive solicitation to provide mortgage loan servicing and other master servicer functions for Florida Housing's Single Family Homebuyer Loan Program, as the current contract will expire this year.

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

Item D, Competitive Solicitation for Compliance Administration for the Single Family Homebuyer Loan Program. David Westcott asked the Board to authorize staff to proceed with a competitive solicitation to select one or more qualified firms to provide compliance administration services for the Single Family Homebuyer Loan Program, as the current contract will expire this year.

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

Item E, Request for Applications (RFA) 2022-02 for the Homebuilders New Construction Pilot Program. David Westcott asked the Board to approve the review committee's recommendation that the Board adopt the scoring results of the five applications received in response to RFA 2022-02 for the Homebuilders New Construction Pilot Program and to authorize staff to proceed with the funding process for HBR Construction, LLC, and Homes Bring Hope, LLC. He added that if negotiations fail or should either firm be unsuccessful in the credit underwriting analytical review process, the review committee recommends proceeding with the third highest scoring applicant, the Future Leaders Community Development Corporation.

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

Item F, Contract Renewal for To-Be-Announced (TBA) Program Administrator for the Homebuyer Loan Program. David Westcott asked the Board to direct staff to proceed with the two-year renewal option for the TBA Program contract with Hilltop Securities, Inc.

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

Marisa Button updated the Board regarding staff's initiatives working with the development community to better understand the issues the development community is facing with market volatility created by supply chain disruptions, inflation and total development cost limitations. Ken Naylor, on behalf of the Coalition for Affordable Housing Providers, requested the Board consider any flexibility to assist with current market volatility by delegating certain approvals to staff to accommodate and expedite minor approvals to accommodate developments in the pipeline to complete construction and bring affordable units to market. Marisa suggested the Board contemplate a telephonic Board meeting to consider a thoughtful proposal from staff to accommodate processes to keep the multifamily rental development pipeline moving forward during these episodes of market volatility. The Board agreed.

PUBLIC COMMENT

Ken Naylor, of Atlantic Pacific, and on behalf of the Coalition of Affordable Housing Providers, echoed Marisa Button's concerns about market volatility and cost increases.

Chairman Lieberman adjourned the meeting at 9:40 a.m.