

# BREVARD COUNTY HOUSING FINANCE AUTHORITY

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## MINUTES May 22, 2019

The Brevard County Housing Finance Authority convened on the 22<sup>nd</sup> day of May, 2019, at the hour of 3:00 p.m. in the 4-H Conference Room of the Brevard County Agricultural Center, 3695 Lake Drive, Cocoa, Florida.

Present: Kamran Sarkarati, Chairman  
Michael Hartman, Vice Chairman  
James Katehakis, Asst. Secretary/Treasurer  
John Newton, Member  
Angela A. Abbott, Attorney for the Authority  
Natalie Sidor, Public Resources Advisory Group, Inc. (via telephone)  
Cameron Hill, RBC Capital Markets  
Alex Fischer, Nabors Giblin & Nickerson, P.A.

- I. The Chairman, Kamran Sarkarati, called the meeting to order at 3:03 p.m., determined the presence of a quorum and acknowledged proof of publication of the Notice of Meeting.
- II. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.
- III. Bond Counsel Selection - Discussion regarding responses to Request for Proposals:

Ms. Abbott stated that the Request for Proposals (RFP) was distributed by email on April 2, 2019, to all known Florida housing bond law firms. In response, the Authority received proposals from the following firms: Bryant Miller Olive, P.A., Locke Lord LLP and Nabors Giblin & Nickerson, P.A. Marianne Edmonds and Natalie Sidor with PRAG, prepared a memorandum and summary of the responses. The Authority discussed its satisfaction with the firms currently under contract. Following further discussion, motion made by Michael Hartman, seconded by Jim Katehakis and carried unanimously to approve Nabors Giblin & Nickerson as bond counsel for a five year term with two optional one year renewals. Motion made by James Katehakis, seconded by Michael Hartman and carried unanimously to approve Bryant Miller Olive, P.A. as disclosure counsel for a five year term with two optional one year renewals.

Kamran Sarkarati  
Chairman

Michael Hartman  
Vice Chairman

Barry Forbes  
Secretary/Treasurer

James Katehakis  
Asst. Secretary/Treasurer

John Newton  
Member

Angela A. Abbott  
Attorney/Administrator

- IV. Consent Agenda: Motion made by James Katchakis, seconded by John Newton and carried unanimously to approve the Consent Agenda as follows:
- A. Approval of Minutes of March 27, 2019 meeting
  - B. Approval of payment of Hendrickson Ink invoice for website maintenance
  - C. Approval of payment of invoices of Public Resources Advisory Group, Inc. for 1<sup>st</sup> Quarter, 2019
  - D. Approval of payment of Wells Fargo Bank, N.A. invoice in connection with the Single Family 1985 issue.

V. Report of Treasurer, Barry Forbes: Presentation of 2<sup>nd</sup> Quarter, FY 2018-2019 Treasurer's Report:

In the absence of Mr. Forbes, Ms. Abbott presented the Treasurer's Report and budget comparison for the second quarter of fiscal year 2018-2019. She noted the large positive income variance due primarily to the Single Family TBA program income. Expenses were slightly over budget for the year. The balance sheet and the second quarter checking account ledger were also presented. Motion made by John Newton, seconded by Michael Hartman and carried unanimously to accept the Treasurer's Report as presented.

VI. Status Reports on Special Projects:

- A. Loan Agreement with Housing for Homeless ("HFH") f/k/a Coalition for the Hungry and Homeless: The loan to HFH is paying as agreed. A summary of all payments was included in the agenda package.
- B. Loan Agreement with Habitat for Humanity of Brevard County: There has been no activity on this loan since the Authority's last meeting.
- C. Loan to Community of Hope, Inc.: The loan to Community of Hope is paying as agreed. A summary of all payments was included in the agenda package. Community of Hope is not pursuing its request for a new line of credit at this time.

VII. Single Family Programs: Status Report on 2012-2019 TBA/MCC Program and discussion regarding funding of Down Payment Assistance loans:

- A. Ms. Abbott presented a written status report on the Single Family Program as of May 14, 2019. During the months of March, April and the first half of May, 2019, twenty seven (27) first mortgage loans closed, all of which utilized the Authority's second mortgage DPA. Loan originations are averaging about nine (9) loans per month during 2019. If loans continue to originate at the current rate, the funds on deposit in the DPA custody account will be sufficient to provide DPA loans through March, 2020. The agenda package included status reports on the DPA and GNMA Custody accounts as

of April 30, 2019, and a summary of GNMA profits as of April 30, 2019. The Authority will continue to monitor the use of DPA funds closely.

- B. Ms. Abbott presented the quarterly status report on second mortgages as of March 31, 2019. The member discussed the low rate of foreclosure and the possibility of an increase in foreclosures if the housing market declines.

VIII. Report of Angela A. Abbott, P.A.:

- A. Ms. Abbott stated that the Authority received a short application on the Southlake Towers project in October, 2018. The project has now received a preliminary approval from Florida Housing Finance Corporation for a SAIL and ELI loan, and has been invited to credit underwriting. A full application to the Authority for bonds is expected soon. If timely received, the TEFRA hearing and inducement resolution will be presented at the June 26<sup>th</sup> meeting. The bond amount will be \$11,000,000, of which \$60,000 per unit will be utilized for rehabilitation. The project is an acquisition rehab of a project in Palm Bay on Pinewood Drive. Mr. Hartman indicated that the SAIL and ELI loan will be approximately \$3,500,000. The ELI loan requires a set aside of 10% of the units at 30% of AMI, and the rest of the units at 60% of AMI. Smith & Henzy is the consultant on the project and Rebuild America is the not for profit developer.
- B. Ms. Abbott reminded the members about the FLALHFA Conference will be held in Jacksonville Beach on July 10-13, 2019.

IX. Other:

- A. Discussion regarding Financial Advisor Request for Proposals: Ms. Abbott indicated that it has been seven years since the last RFP for financial advisor and there are no optional contract extensions available. The members agreed to the preparation and circulation of an RFP to all active financial advisors in Florida, for consideration at the August, 2019 meeting.
  - B. Mr. Hartman asked whether Atlantic Housing is pursuing the development in Viera. Ms. Abbott responded that she has not been contacted by Atlantic Housing.
  - C. Mr. Sarkarati inquired about the status of the non-owner occupied properties to which letters were sent over the past year. Ms. Abbott responded that all of the properties have been sold or refinanced except one. She believes that the remaining loan may be owned by a woman in the military.
- X. Motion made by Michael Hartman, seconded by Jim Katehakis, and carried unanimously to adjourn the meeting at 3:25 p.m.