

HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY
Board Meeting – March 2, 2022 – 3:00 pm
315 Court St., 4th Floor, Clerks Large Conference Room
Clearwater, FL 33756

AGENDA

1. CALL TO ORDER

Pledge of Allegiance

Introductions

Lender Recognition – Welcome Home Campaign for Home Key Program

2. PUBLIC COMMENTS

3. APPROVAL OF MINUTES

<N/A>

4. TREASURER'S REPORTS

A. January 2022

1. General Fund

2. Housing Trust Fund

3. Land Assembly Fund

5. COMMUNICATIONS TO THE AUTHORITY

A. Suncoast Housing Connections usage report - \$100,000 loan

6. REPORTS BY STAFF

A. HFA Operations and Multi-Family Update – Kathryn Driver

1. Occupancy Report

B. Single Family Update – Karmen Lemberg

C. Special Projects Update – Lolitha Stone

7. NEW BUSINESS

A. Fiscal Year 2020-21 Draft Audit Report – Esther Nichols, The Nichols Group

1. Audit Letter

2. Draft Audit Report

B. Oakhurst Trace – Inducement

1. Memo

2. Resolution and Memorandum of Agreement 2022-03

C. CSG Investment Review – David Jones

D. Florida Association of Local Housing Finance Authorities Sponsorship – Kathryn Driver

1. Memo

2. Sponsorship Form for 2022 Educational Conference

8. BOARD MEMBER COMMENTS

9. ADJOURNMENT

Persons are advised that, if they decide to appeal any decision made at this meeting/hearing, they will need a record of the proceedings, and, for such purposes, they may need to ensure that a verbatim record of the proceedings is made, which includes testimony and evidence upon which the appeal is to be based.

Upcoming...

Next Meeting April 6, 2022
315 Court Street, 4th Floor, Clerks Large Conference Room
Clearwater, FL 33756

Events

NALHFA Educational Conference April 24-27, 2022
FLALHFA Educational Conference July 6-9, 2022

Meeting materials that are not currently available in ADA compliant electronic format are available upon request. Contact Kathryn Driver 727-223-6418, Karmen Lemberg 727-223-6419, Lolitha Stone 727-300-0819 or newhome@pinellashfa.com

**Housing Finance Authority Board
Pinellas County
March 2, 2022 Meeting Minutes**

The Housing Finance Authority (HFA) Board of Pinellas County (as created by the Code of Ordinances of Pinellas County, Section 2-386) met in regular session at 3:01 PM in the Clerk's Fourth Floor Conference Room, Pinellas County Courthouse, 315 Court Street, Clearwater, Florida.

Present

Steven Beal, Chairman
Robyn Fiel, Vice-Chairman
Kim Wagner, Treasurer
Kristina Kovarik, Assistant Secretary

Not Present

Paul Burroughs, Assistant Treasurer/Secretary

Others Present

Kathryn Driver, Executive Director, HFA
Karmen Lemberg, Director of Homeownership Programs and Operations, HFA
Lolitha Stone, Director of Special Programs, HFA
Michael Cronin, Attorney, Johnson, Pope, Bokor, Ruppel & Burns, LLP
Debbie Berner, RBC Capital Markets
Barbara Clark, Barbara Clark & Co.
Helen Feinberg, RBC Capital Markets
Brianne Heffner, Southport Financial Services, Inc.
David Jones, CSG Advisors
Jordan Nelson, Southport Financial Services, Inc.
Esther Nichols, The Nichols Group, PA
Robert Reid, Bryant Miller Olive, PA
Scott Schuhle, US Bank
Tim Wranovix, Raymond James
Teresa Ribble, Board Reporter, Deputy Clerk
Other interested individuals

All documents provided to the Clerk's Office have been filed and made a part of the record.

CALL TO ORDER

Chairman Beal called the meeting to order at 3:01 PM and led the Pledge of Allegiance. At his request, those attending in person introduced themselves, and those attending virtually were introduced by Ms. Lemberg.

Lender Recognition – Welcome Home Campaign for Home Key Program

Ms. Lemberg welcomed Linda Kemp, Raymond James Bank, and Barbara Dini, FBC Mortgage; whereupon, she indicated that Ms. Kemp is the winner of the Welcome Home campaign; and that Ms. Dini tied for second place with Seth Stern, Waterstone Mortgage, who was unable to attend today's meeting. She expressed appreciation for their long-term support of the HFA and its programs.

PUBLIC COMMENTS

No one responded to the Chairman's call for public comment.

TREASURER'S REPORTS

General Fund – January 2022

Ms. Wagner presented the HFA General Fund financial statements for the month of January 2022; whereupon, she reviewed the January Cash Roll Report and moved to approve the reports as presented. The motion was seconded by Ms. Fiel and carried unanimously.

Housing Trust Fund – January 2022

Ms. Wagner presented the HFA Housing Trust Fund financial statements for the month of January 2022; whereupon, she reviewed the January Cash Roll report and moved to approve the reports as presented. The motion was seconded by Ms. Fiel and carried unanimously.

Land Assembly Fund – January 2022

Ms. Wagner presented the HFA Land Assembly Fund financial statements for the month of January 2022; whereupon, she reviewed the January Cash Roll report and moved to approve the reports as presented. The motion was seconded by Ms. Kovarik and carried unanimously.

COMMUNICATIONS TO THE AUTHORITY

Suncoast Housing Connections Usage Report - \$100,000 Loan

Ms. Driver indicated that a monthly report detailing usage of the loan with Suncoast Housing Connections is included in the agenda packet.

REPORTS BY STAFF

HFA Operations and Multi-Family Update

Ms. Driver noted that the multi-family occupancy report is included in the agenda packet and reported on the following matters:

- Multiple developers have been inquiring into the procedure for applying to finance multi-family housing developments.
- Creekside Manor and Clear Bay Terrace Apartments are continuing through the credit underwriting process; it is anticipated that Clear Bay Terrace will be presented to the Board for bond approval in May.
- Oakhurst Trace, a new construction multi-family development, is being brought to the Board today for inducement consideration, and Seminole Square Apartments is expected to be presented for inducement next month.
- Bear Creek Commons, a Land Assembly Fund transaction with the City of St. Petersburg, is anticipated to be presented for Board approval in either April or May.
- Work on a Pinellas County Land Assembly Fund transaction, Skyway Lofts, is continuing and is anticipated to be brought to the Board for approval within the next several months; direction letters for additional Land Assembly Fund transactions are expected to be forthcoming.
- Staff is working with the County to update the ordinance, interlocal agreement, and program guidelines related to the Penny for Pinellas Affordable Housing Program.
- On February 11, Ms. Driver was a moderator/presenter at an affordable housing conference hosted by Commissioner René Flowers.
- HFA's 2021 Annual Report will be accepted into the record at the March 8 meeting of the Board of County Commissioners (BCC).

- Sadowski Affiliates host Friday webinars at 11:30 AM to provide updates regarding legislative activity pertaining to funding.
- The National Association of Local Housing Finance Agencies (ALHFA) Educational Conference will be held in New York, April 24 through 27, and the Florida ALHFA Educational Conference will be held in Sarasota, July 6 through 9.

Single Family Update

Ms. Lemberg reported that two loans were purchased in February and additional purchases are anticipated in March. She provided updates related to interest rates for both government and conventional loans and presentations to Pinellas County School Board members.

Special Projects Update

Ms. Stone indicated that she is continuing to work with Land Trust homeowners regarding refinancing and home equity options; that the new HFA website will include a page dedicated to the Land Trust program; and that both Regions Bank and the Ready for Life organization are continuing to conduct workshops online; whereupon, she noted that the Housing Trust Fund Annual Report is complete.

NEW BUSINESS

Fiscal Year 2020-21 Draft Audit Report

Ms. Nichols referred to a document titled *Housing Finance Authority of Pinellas County Independent Auditor's Reports, Financial Statements and Required Supplementary Information, September 30, 2021* and provided an overview of its major components; whereupon, she reported that the audit was clean; and that all compliance reports and tests of internal controls and accounting processes reflect no findings. Ms. Nichols thanked HFA staff and Barbara Clark and staff for their professionalism and hard work.

A motion was made by Ms. Fiel to accept the financial statements as presented. The motion was seconded by Ms. Wagner and carried unanimously.

Ms. Driver expressed appreciation for the cooperation and responsiveness exhibited by everyone who was involved in the audit process.

Oakhurst Trace – Inducement

RESOLUTION NO. 2022-23 EXPRESSING THE INTENT OF THE HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY, FLORIDA TO PROCEED WITH THE FINANCING OF A MULTIFAMILY RESIDENTIAL RENTAL HOUSING PROJECT THROUGH THE ISSUANCE OF ITS MULTIFAMILY HOUSING REVENUE BONDS, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$22,000,000 FOR THE BENEFIT OF SP PINELLAS III LLC, A FLORIDA LIMITED LIABILITY COMPANY, OR ITS AFFILIATE; AUTHORIZING THE SCHEDULING OF A PUBLIC HEARING ON THE FINANCING AND ESTABLISHING AN EFFECTIVE DATE.

Ms. Driver introduced the item, noting that Oakhurst Trace will be a large multifamily transaction; and that the developer, Southport Financial Services, Inc., has also been approved for Penny for Pinellas Land Assembly funds; whereupon, she indicated that Ms. Heffner is present to provide information regarding the project.

Ms. Heffner indicated that the development will be located in Pinellas Park and will consist of 220 units; and that along with multiple funding sources, non-competitive 4% low-income tax credits will be utilized; whereupon, Ms. Driver related that following inducement approval, the standard process will occur, including holding a Tax Equity and Fiscal Responsibility Act hearing and seeking approval of the BCC.

In response to queries by Attorney Cronin, Ms. Heffner explained that approval for use of Florida Housing Finance Corporation's competitive 9% low-income tax credits is much slower compared to the approval process for non-competitive 4% credits; that construction costs continue to increase; and that while the supply chain issues seem to be improving, some materials are very difficult to obtain in a timely manner; whereupon, she noted that the large number of units comprising Oakhurst Trace allows fluctuations in prices of goods to be spread out during construction. Ms. Driver related that usage of the non-competitive credits have the potential to more largely impact affordable housing options in the county; and that other funding options may yield only one transaction per year.

Responding to queries by the members, Ms. Heffner provided the following information:

- Income averaging is allowable as long as the average property set asides equal 60% of average median income.
- Oakhurst Trace will be located in an area with access to multiple services, including public transportation.

- WRH Realty Services, Inc., St. Petersburg, will most likely be chosen as the management company for the development; the company is familiar with income averaging.

Mr. Reid referenced the resolution included in the agenda packet and provided an overview related to its format, purpose, and what it authorizes; whereupon, Ms. Wagner made a motion to approve Resolution 2022-03. The motion was seconded by Ms. Fiel and carried unanimously.

CSG Investment Review

Mr. Jones referenced a memorandum titled *Investment Review: Period from October 1, 2020 to September 30, 2021*, and provided a summary of the Authority's returns, funds, and investments, in accordance with the requirements of its investment policy. He discussed the policy's three primary investment objectives and reported that CSG Advisors' opinion is that the Authority has exhibited a prudent strategy for maintaining the safety of capital liquidity and generating adequate investment income; whereupon, he noted that total investment income for the period reviewed was \$571,598.00, with a 2.1% annualized return of the average asset balance; and that the annualized return percentage is strong given the short-term interest rates.

Mr. Jones noted that the current investment policy requires an investment review every six months; and that since the make-up of the Authority's investments rarely changes, he recommends revising the policy to instead require the review to occur annually.

Responding to queries by Ms. Wagner and Chair Beal, Mr. Jones related that CSG Advisors receives daily reports regarding the Authority's investments; that he is not aware of the historical perspective regarding the decision to require biannual reviews; and that many housing authorities require only an annual investment review; whereupon, Attorney Cronin indicated that he would research the history regarding the requirement of a six-month review.

Mr. Fiel made a motion to accept the investment review report as presented, and the motion was seconded by Ms. Wagner. Upon call for the vote, the motion passed unanimously.

Following a brief discussion by the members, Ms. Driver was asked to provide a resolution at the next meeting which would amend the investment policy to require the investment review on an annual basis.

Florida Association of Local Housing Finance Authorities (ALHFA) Sponsorship

Ms. Driver referred to the 2022 Florida ALHFA sponsorship documents included in the agenda packet and recommended that the HFA once again sponsor the conference at the platinum level; whereupon, Ms. Wagner made a motion to approve the sponsorship commitment. The motion was seconded by Ms. Kovarik and carried unanimously.

BOARD MEMBER COMMENTS

The members congratulated Ms. Driver on her upcoming eight-year anniversary with the HFA.

ADJOURNMENT

The meeting adjourned at 3:52 PM.