

JACKSONVILLE HOUSING FINANCE AUTHORITY



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Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

April 19, 2023

April 19, 2023: JHFA Board Meeting
Noon
Ed Ball Building

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Barney Smith, Chair
Nadine Carswell, Secretary
Cassidy Bergstrom
Dee Bumbarger
Amelyn Morodomi
Jeff Rosen

PROFESSIONAL STAFF:

Mark Hendrickson, The Hendrickson Company, Financial Advisor
Susan Leigh, Community Concepts Group, Financial Advisor
Rhonda Bond-Collins, Bryant Miller Olive, Bond Counsel
Helen Feinberg, RBC Capital Markets, Investment Banker
Lawsikia Hodges, City of Jacksonville Office of General Counsel

CITY STAFF:

Chiquita Moore, Director, Neighborhoods Department
Travis Jeffrey, Interim Chief, Housing and Community Development Division
Melody Duncan, Executive Assistant to Travis Jeffrey
Adebisi Okewusi, Director of Finance, Housing and Community Development Division
Teresa Curtis, Finance Manager, Housing and Community Development Division

PUBLIC

Ryan Hoover, Vestcor

BOARD MEETING

Chairman Smith called the meeting to order at 12:00 pm.

Establishment of Quorum Via Roll Call

Chairman Smith stated for the record that a quorum of the Board was physically present at the meeting location, with six members physically present.

Welcome for New Board Member

Chairman Smith welcomed new Board member Cassidy Bergstrom to the Board.

Minutes

Ms. Bumbarger moved, with a second by Mr. Rosen, that the **Board approve the minutes of the January 18, 2023, Board meeting**. The motion passed 6-0. Ms. Carswell moved, with a second by Ms. Morodomi, that the **Board approve the minutes of the March 24, 2023, Finance Committee meeting**. The motion passed 6-0.

Public Comments

Mr. Ryan Hoover updated the Board on the status of three new Vestcor developments.

JHFA Financials

Mr. Jeffrey updated the Board on the March 31, 2023, JHFA financial statements. Chairman Smith stated that the financials were missing the combining balance sheet and the list of outstanding unfunded loan commitments for subordinate loans and asked that the financial statements be corrected to include those items and sent to the Board.

Board Member Conflicts

The Board reported no conflicts.

Treasurer Swanson Report

Treasurer Swanson submitted a written report and recommendations to the Board, which are attached as part of these minutes. Mr. Hendrickson and Ms. Hodges detailed the actions that the Board would need to take to implement the recommendations in the report. Ms. Hodges presented draft legislation and a discussion on the process of procurement and legislation followed. After discussion:

Ms. Bumbarger moved, with a second by Ms. Morodomi, that the Board **authorize the Treasurer and Financial Advisor to:**

- a. **procure contractual services pursuant to Chapter 126 of the City Code informal evaluated competitive award process for accounting, financial, compliance, and/or auditing contractual services not in excess of \$40,000; and**
- b. **develop a scope of work, minimum qualifications, and preferred evaluation criteria sufficient for these services in consultation with City Procurement Division.**

The motion passed 6-0.

Mr. Rosen moved, with a second by Ms. Morodomi, that the Board **appoint Treasurer Swanson, Ms. Carswell and Ms. Morodomi to serve as evaluation subcommittee/committee members as needed for the evaluated competitive awards process.**

The motion passed 6-0.

Ms. Carswell moved, with a second by Ms. Bergstrom, that the Board **direct the transfer of \$40,000 in the FY23 budget from ISA- OGC Legal Charges to Professional Services and direct the City staff to inform the City Council auditors of such transfer pursuant to Chapter 52 of the City Code.**

The motion passed 6-0.

Ms. Bumbarger moved, with a second by Mr. Rosen, that the Board **direct the Office of General Counsel to draft and file legislation as soon as possible, but no later than May 17, 2023, to amend Chapter 52 (Jacksonville Housing Finance Authority) of the City Code as follows:**

- 1) **Procurement - Delete Section 52.107(1)(iii)**
Explanation: Section 52.107(1)(iii) requires the JHFA to use the City's Procurement Code and prevents it from adopting its own procurement code (like other independent agencies)
By removing this limitation in Chapter 52, JHFA as independent authority would have more control over the procurement process.

- 2) **JHFA Accounts - Delete Section 52.108**

Explanation: Section 52.108 requires the JHFA to hold its funds in two City accounts: Jacksonville Housing Finance Authority (JHFA) Loan Fund and the Local Government Support Revolving Fund. Note that the City’s Finance Director can only disburse funds at the request of JHFA from the JHFA Loan Fund. By deleting this section, the JHFA would have the ability to establish its own accounts outside of the City. This section is intended to apply to all JHFA funds, including, but not limited to the two mentioned above.

3) Annual Independent Audit- add section to require

Explanation: Require JHFA to conduct an annual independent audit and provide the audit to the Mayor, City Council and appropriate City finance personnel.

4) Authorize Ms. Hodges to draft a Board Resolution for signature by the Chairman related to these series of motions.

The motion passed 6-0.

Chairman Smith stated that he and Mr. Hendrickson would be meeting with Brian Hughes and Dr. Moreland from the Mayor’s Office next week to discuss the legislation. He stated that the legislation would not be filed prior to the meeting.

Chairman Smith stated that the Board would need to divide responsibility for educating City Council members on the legislation once filed, and **asked Mr. Hendrickson to survey the Board as to which Council members with which they would take the lead.**

Single Family and Multi-Family

Mr. Hendrickson updated the Board on the single-family program and the status of various multi-family transactions. After discussion, Ms. Carswell moved, with a second by Mr. Rosen, that the Board **authorize an additional \$1 million for DPA loans.** The motion passed 6-0.

Mr. Hendrickson stated that the Westchase and Oak Hammock bond issues were moving forward to closing in the next 3-4 months.

Old Business: Occupancy & State Legislative Update

Mr. Hendrickson presented the Occupancy Report and the legislative update. He noted that the SHIP funding for Jacksonville would be an estimated \$11.8 million this year, and that the legislative education effort funded by local HFA’s including the JHFA was largely responsible for the legislative support for SHIP.

New Business—Florida ALHFA Conference

Ms. Leigh updated the Board on the Florida ALHFA Conference. Ms. Carswell urged new Board members to attend the conference. Chairman Smith **directed Ms. Leigh to send information to the Board on the conference and determine which Board members wished to attend.**

New Business—Avion Apartments

Chairman Smith and Mr. Rosen presented information on a proposed City tax abatement subsidy to Avion Apartments, noting that the amount of subsidy was much greater than that provided by the JHFA, and that the JHFA achieved significantly more affordable units for a longer affordability period for less money. The role of JHFA as a City resource to analyze requests for subsidy of this nature was discussed. After discussion, Mr. Rosen moved, with a second by Ms. Carswell, that the Board **authorize the Chairman to**

send correspondence to the Mayor and City Council, (1) summarizing the Live Local Act and the property tax subsidies included in that legislation, (2) discussing JHFA's role as recommended by the CQLI for review of subsidy requests, and (3) noting the efficiency of JHFA subsidies compared to the proposed subsidy for Avion Apartments. The motion passed 6-0.

Adjournment

Without objection, Chairman Smith adjourned the meeting at 1:11 PM.