

JACKSONVILLE HOUSING FINANCE AUTHORITY



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Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

June 24, 2019

June 24, 2019: JHFA Board Meeting

Noon

214 North Hogan Street, 8th Floor

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Tripp Gulliford, Chair

Dee Bumbarger, Secretary

Jim Citrano, Member

Jeffrey Rosen, Member

PROFESSIONAL STAFF:

Mark Hendrickson, The Hendrickson Company, Financial Advisor

Susan Leigh, The Community Concepts Group, Financial Advisor

Cameron Hill, RBC Capital Markets, Investment Banker

Rhonda Bond-Collins, Bryant Miller Olive, Bond Counsel

Emerson Lotzia, City of Jacksonville Office of General Counsel

Tricia Heintz, Bank of New York Mellon, Trustee

Susan McAfoos, Bank of New York Mellon, Trustee

CITY STAFF:

Laura Stagner

Jane Bouda

Mary Grace Henley, OGC

Elisabeth Ajluni, OGC

Joe McGowan, OGC

PUBLIC:

Kevin Troup, Vestcor

Ryan Hoover, Vestcor

Shawn Wilson, Blue Sky Communities

Greg Giakoumis, Ashley Square Associates

Davis Bean, Fiorentino Group

Marty Fiorentino, Fiorentino Group

Chuck Shealy, LISC

BOARD MEETING

Chairman Gulliford called the meeting to order at 12:06 pm, with a quorum present.

Minutes

Ms. Bumbarger moved, with a second by Mr. Rosen, that the **Board approve the minutes of the May 3, 2019 Board meeting.** The motion passed 4-0.

Public Comments

Mr. Ryan Hoover updated the Board on various developments financed by the JHFA. He stated that (1)

Lofts at Jefferson would have move-ins beginning December 2019 and (2) Lofts at Brooklyn would begin construction by September 2019.

Mr. Lotzia introduced the summer associates working in his office that were attending the HFA meeting.

“To-Do” List

Mr. Hendrickson updated the Board on outstanding “to-do” items.

Staff Report and Financial Report

Ms. Stagner updated the Board on JHFA financials and noted that the FY 19-20 JHFA budget was on the agenda for approval. After discussion, Mr. Citrano moved, with a second by Mr. Rosen, that the Board **approve the proposed FY 19-20 JHFA budget**. The motion passed 4-0.

Ms. Stagner also updated the Board on the delays in the Professional Services procurement process (Investment Banker, Bond Counsel, Trustee, and Financial Advisor), stating that the RFP’s should be issued within a week with an August 21 due date. She stated that this would bring the selections to the September JHFA meeting. Mr. Lotzia noted that the current contract extensions expired June 30. After discussion, Mr. Rosen moved, with a second by Mr. Citrano, that the Board **authorize the extension of all professional service contracts until September 30, 2019**. The motion passed 4-0.

The Board **requested that Ms. Stagner bring the analysis of moving funds from the Operating Account to the Loan Account at the August JHFA meeting**.

Board Member Conflicts

No member declared a conflict related to items on the agenda.

Bond Allocation

Ms. Bond-Collins updated the Board on the 2019 bond allocation, stating the 2019 allocation had been received from the Division of Bond Finance.

Single Family

Mr. Hendrickson updated the Board on the single-family program.

Multi-Family Updates

Mr. Hendrickson reported that the Monaco Arms transaction closed on May 31, bringing the total units financed by the JHFA to 2,837 in the past four years.

Mr. Hendrickson explained the timing of various FHFC RFA’s, and the need for the JHFA to have the 2020 Bond NOFA available prior to the submission deadlines for FHFC funds. After discussion, Mr. Citrano moved, with a second by Mr. Rosen, that the Board **authorize publication of a NOFA for 2020 Bond Applications, with dual application (one for SAIL or other FHFC gap financing program applicants, the second for all others)**. The motion passed 4-0.

Mr. Hendrickson noted that the Board had requested at the May meeting that a potential NOFA for Gap Financing be brought to this meeting for consideration. He explained the recent history of JHFA gap financing and stated that Ms. Stagner had concluded that \$2 million could reasonably be made available for this proposed NOFA. The Board requested Ms. Stagner to explain her analysis. After discussion, Ms. Bumbarger moved, with a second by Mr. Rosen, that the Board **authorize publication of a Gap Financing**

NOFA, for applicants using JHFA bonds, and utilizing the selection criteria required by ordinance, plus a detailed explanation of the need for JHFA gap financing, the leveraging of those funds with other resources, and any innovative aspects of the development. The motion passed 4-0.

Local Government Contributions in Conjunction with various FHFC RFA's

Mr. Hendrickson updated the Board on the FHFC process, noting that Jacksonville would have a Geographic Area of Opportunity preference imposed by FHFC this year, in lieu of the successful Local Government Area of Opportunity (Preference) system used the last four years. He stated that FHFC was rotating the requirement for the Geographic Area of Opportunity preference, and that the Local Government Area of Opportunity Funding preference should return next year. Mr. Hendrickson explained that FHFC still required a minimum local government contribution, with points assigned to applicants who received a contribution with a net present value of \$75,000. He stated that the City and JHFA could use this process to effectively select the development that best met City needs and goals, by giving only one applicant the contribution. A discussion on the concept and the Geographic Areas of Opportunity followed. After discussion, Ms. Bumbarger moved, with a second by Mr. Rosen, that the Board **authorize publication of a NOFA and application for the minimum local contribution on 9% Housing Credit applications, layering all non-geographic selection factors from the last LGAOF application/NOFA into this year's local contribution NOFA/application, and including location within a Geographic Area of Opportunity as a mandatory criteria.** The motion passed 4-0.

Mr. Hendrickson stated that the minimum local contribution would also be required for applicants seeking SAIL or other FHFC gap financing. After discussion, Mr. Citrano moved, with a second by Mr. Rosen, that the Board **authorize publication of a NOFA and application for the minimum local contribution on all other FHFC RFA's, including SAIL.** The motion passed 4-0.

Existing Rental Properties

Mr. Hendrickson updated the Board on occupancy of existing developments and the Millennia Portfolio construction issues. Ms. Stagner and Mr. Lotzia updated the Board on the Houston Street Manor request for loan funding.

2019 Legislative Update

Mr. Hendrickson reported on the actions of the Sadowski Education Effort related to the 2019 legislative session. He stated that while progress was made, the legislature still swept \$125 million from the Housing Trust Funds to general revenue. Mr. Hendrickson also reported that the Governor had vetoed the Jacksonville Urban Core Workforce project (\$8 million), with the Governor stating that the veto was due to the proposal circumventing the FHFC selection process rather than the merits of the proposal.

Florida ALHFA Conference

Ms. Leigh updated the Board on the conference, which will be held July 11-14 in Atlantic Beach.

Adjournment

On a motion by Mr. Citrano, seconded by Mr. Rosen, the Board voted unanimously to adjourn the meeting at 12:50 PM.