

JACKSONVILLE HOUSING FINANCE AUTHORITY



JACKSONVILLE HOUSING FINANCE AUTHORITY

Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

August 11, 2021

May 19, 2021: JHFA Board Meeting
Noon
Ed Ball Building and Telephonic

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Barney Smith, Chair
Spencer Cummings, Vice-Chair, via teleconference
Nadine Carswell, Member
Jeffrey Rosen, Member
Jane Scofield, Member
Matt Swanson, Member

PROFESSIONAL STAFF:

Mark Hendrickson, The Hendrickson Company, Financial Advisor
Susan Leigh, The Community Concepts Group, Financial Advisor
Rhonda Bond-Collins, Bryant Miller Olive, Bond Counsel
Lawsikia Hodges, City of Jacksonville Office of General Counsel
Helen Feinberg, RBC Capital Markets, Investment Banker (via teleconference)
Tricia Heintz, Bank of New York Mellon, (via teleconference)

CITY STAFF:

Tom Daly
Adebisi Okewusi
Jane Bouda (via teleconference)
Melody Saftner

PUBLIC (via teleconference, except Ryan Hoover, Sydney Gervin & Ginny Myrick):

Ryan Hoover, Vestcor
Sydney Gervin, Cathedral District
Ginny Myrick, Cathedral District
Kevin Troupe, Vestcor
Jim Dyal, New Vision Communities
Deandre Taylor, Blue Sky Communities
Allison Colvard, Roundstone Development
Todd DeNeui, Housing Trust Group
Jason Larson, Housing Trust Group
Ryan Von Weller, Wendover
William Hoff, public
John Fox, public

BOARD MEETING

Chairman Smith called the meeting to order at 12:07 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 all members physically present, Mr. Cummings by teleconference, and Ms. Bumbarger excused due to physical injury.

Minutes

Ms. Carswell moved, with a second by Ms. Scofield, that the **Board approve the minutes of the June 16, 2021, Board meeting**. The motion passed 6-0.

Public Comments

Mr. Hoover updated the Board on the status of various Vestcor developments. Mr. Gervin and Ms. Myrick spoke on their organization's support for the Lofts at Cathedral.

Staff Report and Financial Report

Mr. Daly updated the Board on the June 30, 2021, JHFA financial statements.

Board Member Conflicts

No Board member reported a conflict.

Bond Allocation

Mr. Hendrickson and Ms. Bond-Collins updated the Board on the increasing scarcity of bond allocation, noting that the State Pool was oversubscribed and that the JHFA could not count on future allocation outside of its roughly \$50 million regional allocation. Mr. Hendrickson stated that the past situation where the JHFA had excess authority and could finance any deal was no longer valid, and that more selectivity would be needed for future deals.

MCC Resolution

Mr. Hendrickson and Ms. Bond-Collins introduced a Resolution that would approve conversion of \$100 million of single-family bond allocation to MCC's, and related matters. Mr. Hendrickson stated that the MCC's would be available through 2023. After discussion, Ms. Scofield moved, with a second by Mr. Rosen, that the Board **approve the proposed MCC Resolution**. The motion passed 6-0.

Single Family Program Interlocal Agreement

Mr. Hendrickson and Ms. Bond Collins presented a Resolution that would authorize a new Interlocal Agreement with Hillsborough County to continue the current single-family program for three years beginning October 1, 2021. After discussion, Ms. Carswell moved, with a second by Ms. Scofield, that the Board **approve the proposed Interlocal Agreement Resolution**. The motion passed 6-0.

Single Family Program Sales Price Limit

Mr. Hendrickson presented information on the increasing prices of homes and the need to consider an increase of the current \$225,000 sales price limit (which would be in effect through 2023 for the new MCC Program). After discussion, Mr. Rosen moved, with a second by Ms. Carswell, that the Board **approve an increase to the sales price limit to \$275,000**. The motion passed 6-0.

New Multi-Family Application

Mr. Hendrickson and Ms. Bond-Collins a new MF Bond Application, which they stated had simplified the application by removing unnecessary requests for information not needed and conforming to current MF

Guidelines. After discussion, Mr. Swanson moved, with a second by Ms. Scofield, that the Board **approve the proposed new MF Bond Application**. The motion passed 6-0.

MF Bond NOFA for 2022

Mr. Hendrickson presented a proposed NOFA for bond applications related to the 2022 bond allocation. After discussion, Ms. Scofield moved, with a second by Mr. Rosen, that the Board **approve the proposed 2022 MF Bond NOFA**. The motion passed 6-0.

Marcis Pointe

Mr. Hendrickson updated the Board on the full repayment of the \$218,000 JHFA loan to this development.

Sadowski Education Effort

Mr. Hendrickson presented the request from Florida ALHFA for an increase in SEE contributions to \$20,000 for larger HFA's. After discussion, Ms. Scofield moved, with a second by Mr. Rosen, that the Board **approve the proposed 2022 MF Bond NOFA**. The motion passed 6-0.

Valencia Way Ribbon Cutting

Mr. Hendrickson updated the Board on scheduled ribbon cutting for Valencia Way and stated that the developer had requested that JHFA have a representative at the ceremony. **Mr. Swanson volunteered to represent the JHFA at the ribbon cutting.**

Local Government Area of Opportunity Funding

Mr. Hendrickson presented an analysis and recommendations related to the LGAOF selection. The Board discussed their review of the applications. After discussion, Ms. Scofield moved, with a second by Mr. Rosen, that the Board:

- Select Lofts at Cathedral to receive LGAOF designation
- Offer Springfield Plaza and Tori Meadows required local contribution to serve as a backup(s), with loan terms of \$115,000/20 years/0% interest/balloon in 20 years
- Do not select Bromley Square for backup, as applicant indicates it is not feasible without LGAOF designation
- All loan commitments and loans governed by Ordinance 2014-185-E.
- Authorize the Chairman to sign loan commitment letters and authorize Chair or other Board member to execute loan documents, including subordinations and extension of loan commitment up to 30 days after senior loan closing date.
- Request the Mayor or other official permitted by FHFC to sign the FHFC form required to verify the local government contribution.
- Loan to be evidenced by Promissory Note and Mortgage, with anticipated second mortgage position (subject to all loan documents and due diligence necessary to evidence and complete the transaction). Loan documents to include a Land Use Restriction Agreement with all Applicant commitments (City programs, length of set-aside, income restrictions).
- For Lofts at Cathedral, all Applicant commitments to be included in recorded Land Use Restriction Agreement.
- Loan commitment expiration dates of December 31, 2022.
- Authorize a new Gap Financing NOFA for \$2.5 million.

The motion passed 6-0.

Local Contributions

Mr. Hendrickson presented an analysis and recommendations related to the requests for local contributions needed for application for SAIL funding. The Board discussed their review of the applications. After discussion, Mr. Rosen moved, with a second by Mr. Swanson, that the Board:

- For the Village at Southside, approve the loan subject to the condition that the Jacksonville City Council approve the developer's rezoning legislation prior to the JHFA/City's execution of the FHFC local contribution form.
- Authorize a clarification and supplement to the Multi-Family Loan Policies approved pursuant to Ordinance 2014-185-E that specifically permits the zoning evidence to include proof of rezoning legislation being filed with the Jacksonville City Council and approval of such rezoning request by the Jacksonville City Council prior to the JHFA/City's execution of the FHFC local contribution form.
- For Normandy Trace: do not commit JHFA bonds to the development, and decline to provide a local contribution

For the Village at Southside, in addition to conditions established above:

- Approve local government contribution of \$115,000 loan for each
- 1% interest rate, interest only payments (cashflow), 20-year term
- All loan commitment and loans governed by Ordinance 2014-185-E.
- Authorize the Chairman to sign loan commitment letter, letter to FHFC confirming that a complete bond application has been received by JHFA, and authorize Chair or other Board member to execute loan documents, including subordinations and extension of loan commitment up to 30 days after senior loan closing date;
- Loan to be evidenced by Promissory Note and Mortgage, with anticipated subordinate position behind the first mortgage and all FHFC loans (subject to all loan documents and due diligence necessary to evidence and complete the transaction).
- Loan documents to include a Land Use Restriction Agreement with all Applicant commitment (City programs, length of set-aside, income restrictions).
- The loan documents shall provide for the standard default provisions; and upon default, the loan shall accrue interest at the highest rate then permissible under Florida law from and after an event of default that remains uncured.
- Each loan shall be evidenced by a promissory note in the full-face amount of the loan, and secured in its entirety by a subordinate lien mortgage, and shall include such other standard loan documents as necessary to evidence and complete the transaction.
- The loan shall not be disbursed until the following minimum due diligence is received and satisfactory (however, additional requirements may be necessary for the project): mortgagee title insurance policy (or a marked-down commitment for the same), boundary survey certified to the JHFA, environmental site assessments certified to the JHFA, and evidence of concurrency and all permits authorizing construction of the project.
- Loan commitment expiration date of December 31, 2022

The motion passed 6-0.

New Business

Mr. Hendrickson reported that Ms. Hodges and he had discussed steps to make the JHFA more independent. He stated that they would work with Mr. Daly to report recommendations for changes and necessary steps for approval

Adjournment

Without objection, Chairman Smith adjourned the meeting without objection at 12:54 PM.