

# HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA

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Bradenton, Florida 34205  
(877) 264-0334

## MINUTES

December 10, 2019

The Housing Finance Authority of Manatee County convened on the 10<sup>th</sup> day of December, 2019, at the hour of 1:31 p.m. in the second floor conference room of 417 12<sup>th</sup> Street West, Bradenton, Florida.

Present: Hugh Miller, Chairman  
Paul Sharff, 1<sup>st</sup> Vice Chairman  
Jay Heagerty, Jr., 2<sup>nd</sup> Vice Chairman  
Rich Pierro, 3<sup>rd</sup> Vice Chairman  
Frank R. Dodson, III, Secretary/Treasurer  
Angela A. Abbott, Attorney for the Authority  
Tim Wranovix, Raymond James & Associates  
Cameron Hill, RBC Capital Markets  
Tim Gruters, Carr, Riggs & Ingram

- I. The Chairman called the meeting to order at 1:31 p.m., determined the presence of a quorum and acknowledged proof of publication of the Notice of Public Meeting.
- II. Public Comments: The Chairman called for public comments. Hearing none, public comment was closed.
- III. Presentation of Tim Gruters, CPA, of Carr, Riggs & Ingram, LLC:

Presentation of Audited Financial Statements for the year ended September 30, 2019: Tim Gruters presented the audited financial statements for the fiscal year ended September 30, 2019. This is an unmodified opinion. The increase in net position of \$644,000 is primarily attributable to the contribution refunds and principal repayments on the single family bonds. The only difference in the statements this year is the inclusion of the developer deposit/commitment fee from Dominion as a liability. The deposit is held as security for the payment of closing costs and professional fees in the event that the bond issue fails to close. Mr. Gruters thanked Mr. Dodson and Ms. Abbott for their assistance in providing information for the preparation of the financial statements. He apologized for the late completion of the financial statements for the prior fiscal year and indicated that the statements will be delivered timely in the future. He will release the statements as soon as the Authority's representation letter is signed. Mr. Dodson stated that there were

Hugh D. Miller  
Chairman

Paul A. Sharff  
1<sup>st</sup> Vice Chairman

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3<sup>rd</sup> Vice Chairman

Frank R. Dodson, III  
Secretary/Treasurer

Angela A. Abbott  
Attorney/Administrator

minor corrections to the final statements since the draft distributed with the agenda package. He and Ms. Abbott have reviewed the final financial statements and the management representation letter, which states that the Authority is not in violation of state laws, particularly in regard to the inclusion of the fund balances on the single family bond issues as a liability in the financial statements. The longer version of the financial statements contains the signed representation letter and is the management version. The shorter version is the one that is filed with the state and the county.

Motion made by Frank Dodson, seconded by Jay Heagerty and carried unanimously to accept the final draft of the financial statements into the record, to authorize the signing of the management representation letter and to approve Requisition No. 699 for payment. [Tim Gruters left the meeting.]

IV. Motion made by Paul Sharff, seconded by Rich Pierro and carried unanimously to approve the Consent Agenda as follows:

- A. Minutes of October 8, 2019 meeting
- B. Requisition No. 700 for website hosting and editing by Hendrickson Ink
- C. Requisition No. 701 for costs of Angela A. Abbott, P.A. for general services
- D. Meeting schedule for 2020
- E. Records Management Compliance Statement for Fiscal Year 2018-2019
- F. Requisition No. 702 for payment of annual dues to National Association of Local Housing Finance Agencies for 2020
- G. Requisition No. 703 for membership and marketing package with Realtor Association of Sarasota and Manatee
- H. Next Meeting: January 14, 2020 or February 11, 2020, at 1:30 p.m. at 417 12<sup>th</sup> Street West, 2<sup>nd</sup> Floor Conference Room, Bradenton, Florida

V. Report of Treasurer, Frank R. Dodson, III:

Presentation of General Fund Financial Reports for October, 2019:

Mr. Dodson presented the General Fund Financial Report for October, 2019. He noted an increase in net position of \$31,880, which is primarily due to DAP loan repayments of \$42,595. He indicated that when homes are sold or refinanced, the DAP loans must be repaid. Tim Wranovix stated that many borrowers are refinancing their first mortgages due to the build up of equity. They are able to eliminate PMI and/or pull funds out of their homes. Motion made by Frank Dodson, seconded by Jay Heagerty and carried unanimously to accept the general fund financial report into the record.

VI. Status Report of Single Family Programs:

A. Loan and Mortgage Credit Certificate Program:

Status Report: Ms. Abbott presented a memorandum on the status of the program and indicated that there was one loan that closed during the months of October and November, 2019, four loans paid off and one new foreclosure was filed. One loan is currently pending. A new lender, Synovus Bank, has recently joined the program. Mr. Wranovix stated that Freddie Mac and U.S. Bank are making changes which will require changes to the program guidelines. Freddie Mac is changing how grant loans are paid to borrowers at or below 50% and 80% AMI. It was a fixed dollar amount but will now be a percentage. Also, the mechanics of how this will occur is changing. For loans above 80% AMI, Freddie Mac is proposing a 2% delivery charge. Fannie Mae has made a similar change. The Authority will need to work with eHousing and U.S. Bank on implementing these changes. Additionally, U. S. Bank is changing the debt to income ratios. It was 50% DTI on conventional loans for 640 FICO and above, and 45% DTI for FHA loans for 640 FICO and above. Now, the requirement will be 50% DTI for both conventional and FHA loans above 660 FICO. In the past, loans with 640-659 FICO scores were charged a 50 basis point fee which was absorbed by the program. Now, loans in this FICO range will not bear a fee, but there will be a limit on the number of loans that can be originated. Mr. Wranovix indicated that lenders need to be notified of these changes in early 2020. He suggested that the Authority authorize Ms. Abbott and the financial team to get the changes implemented. Motion made by Paul Sharff, seconded by Frank Dodson and carried unanimously to authorize Ms. Abbott to work with U. S. Bank and eHousing to implement the changes required by Freddie Mac and U. S. Bank. Mr. Wranovix will bring back a summary of the changes at the next meeting. The regulators for Freddie Mac are attempting to force more production in the lower AMI ranges. U.S. Bank is attempting to limit the number of lower FICO score loans. Mr. Wranovix stated that the inventory of affordable housing is becoming a bigger problem.

B. Status report on Livable Manatee DPA Program: Motion made by Frank Dodson, seconded by Jay Heagerty and carried unanimously to approve Resolution No. 2019-09 entitled:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA (THE "AUTHORITY") AMENDING THE DOWN PAYMENT AND CLOSING COST ASSISTANCE PROGRAM (THE "DPA PROGRAM") FOR USE IN CONNECTION WITH THE LIVABLE MANATEE INCENTIVE PROGRAM; AMENDING THE PARAMETERS OF THE DPA PROGRAM; AUTHORIZING THE PROPER OFFICERS AND ADMINISTRATOR TO DO ALL THINGS NECESSARY IN CONNECTION WITH THE DPA PROGRAM; PROVIDING CERTAIN OTHER FINDINGS AND

DETAILS WITH RESPECT TO THE MATTERS ADDRESSED IN THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.

Ms. Abbott pointed out a small change in paragraph one of the Resolution.

VII. Multi-family Programs: Discussion regarding status of application of Dominionium (Palmetto Senior Project):

Ms. Abbott stated that there is a memo from the financial advisors in the agenda package. She noted that all of the requested allocation has been obtained, but will expire on December 29, 2019. Therefore, a validation complaint has been filed with the Court to toll the expiration of the allocation. The issue is not expected to close until spring of 2020.

VIII. The meeting adjourned at 1:50 p.m.

Respectfully submitted:

By: \_\_\_\_\_  
Frank R. Dodson, III, Secretary/Treasurer