

HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA

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MINUTES

June 9, 2020

The Housing Finance Authority of Manatee County convened on the 9th day of June, 2020, at the hour of 1:30 p.m. by video and telephone conference.

Present by telephone:

- Paul Sharff, Chairman
- Jay Heagerty, Jr., 1st Vice Chairman
- Rich Pierro, 2nd Vice Chairman
- Frank R. Dodson, III, Secretary/Treasurer
- Angela A. Abbott, Attorney for the Authority
- Mark Mustian, Nabors, Giblin & Nickerson, P.A.
- Susan Leigh, The Community Concepts Group
- Mark Hendrickson, The Hendrickson Company
- Tim Wranovix, Raymond James & Associates
- Cameron Hill, RBC Capital Markets
- Sue Denihan, Denihan & Associates
- Denise Thomas, Manatee County

- I. The Chairman called the meeting to order at 1:30 p.m., determined the presence of a quorum and acknowledged proof of publication of the Notice of Virtual Public Meeting. Ms. Abbott conducted a roll call of all those present on the video and telephone. The Chairman requested that each member identify himself when making motions and he announced that all voting by the members would be taken by roll call.
- II. Public Comments: The Chairman called for public comments. Hearing none, public comment was closed.
- III. Motion made by Rich Pierro, seconded by Jay Heagerty and carried unanimously to approve the Consent Agenda as follows:
 - A. Minutes of April 14, 2020 meeting
 - B. Requisition No. 720 for website hosting and editing by Hendrickson Ink
 - C. Requisition No. 721 for costs of Angela A. Abbott, P.A. for general services
 - D. Next Meeting: July 14, 2020, or August 11, 2020, at 1:30 p.m. at 417 12th Street West, 2nd Floor Conference Room, Bradenton, Florida or by conference call

IV. Report of Treasurer, Frank R. Dodson, III: Presentation of General Fund Financial Reports for March and April, 2020:

Mr. Dodson presented the General Fund Financial Reports for March and April, 2020. He noted that a corrected report for April was distributed to the members by email from Ms. Abbott. The Gorman Co. and Cedar Cove application fees were moved to the “other” income category and the payment of the Cedar Cove fee was corrected to show that it was paid prior to April. The Reef at Riviera fee of \$93,000 was received in late April. The budgeted income for Reef at Riviera will be \$24,000 under budget for the year because the closing was expected to take place in February. Investment income will also be under budget for the year. Trustee fees were put back into the report as a separate item under reconciliation of the monthly balances of the Operating Trust. The Reef at Riviera upfront discounted fees were incorrectly deposited to the Authority’s custody account but were returned to the Trustee promptly. Further, the Developer Deposit of \$150,000 was returned to Dominionium after payment of costs of issuance, thereby reducing the liabilities by that amount. The change in net position is \$246,134.00. The typos do not effect the balances which are correct.

Motion made by Rich Pierro, seconded by Jay Heagerty and carried unanimously to accept the corrected general fund financial report into the record.

V. Status Report of Single Family Programs:

- A. Status Report on Loan and Mortgage Credit Certificate Program: Ms. Abbott presented a memorandum on the status of the program and indicated that four loans closed during the months of April and May, 2020, and two loans paid off. There is one loan currently pending. A new lender has joined the program. Fairway Independent Mortgage has been the most active lender for the past six months.
- B. Status report on Livable Manatee DPA Program: Ms. Abbott presented a memorandum indicating that this program is scheduled to end on June 30, 2020. Four loans (\$40,000 total) have closed and two reservations are pending (\$24,000 and \$19,500) leaving \$16,500 unused. She recommended extending the program for an additional one year term ending June 30, 2021, or until the funds are fully utilized, whichever occurs first. Motion made by Frank Dodson, seconded by Rich Pierro and carried unanimously to extend the program until June 30, 2021.
- C. Discussion regarding income limits: The agenda package included a summary of the current income and purchase price limits prepared by Mark Mustian. Under state law, the maximum borrower income limits for the non-MCC TBA loans may be up to 150% of median income, which is \$115,500. Ms. Abbott stated that the Authority may consider increasing the income limits

but she is not necessarily recommending the increase. The policy in the past has been to utilize bond income limits as opposed to state law maximums. Mr. Dodson asked Tim Wranovix whether an increase in the income limits would increase loan activity. Mr. Wranovix stated that it likely would but inventory is still a problem. He would not expect a substantial increase in activity. He stated that local HFA's throughout the state have differing policies regarding the income limits. FHFC has different income limits for its bond and TBA programs. Mark Hendrickson asked whether DPA would be provided to persons earning 150% of median and whether DPA exceeds profit on each loan. Mr. Dodson responded that DPA will likely always exceed profit regardless of loan volume. Mr. Dodson expressed his concern about competing with FHFC programs. Mr. Pierro thinks that the income limit should be increased because median home prices are very high now. He does not consider income of \$115,500 to be wealthy. Denise Thomas stated that her department is working on three to four homeownership projects which will become available within the next year. There will be new affordable mixed use and single family developments. She is not sure that persons earning 150% of median need assistance. Ms. Thomas suggested partnering with developers to create more affordable housing. Mr. Pierro feels that increasing the income limit does not take anything away from anyone, it just expands the program. Mr. Dodson agreed with Mr. Pierro. If the increase does not work appropriately, the limits can be reduced later. Tim Wranovix stated that Lee County originated \$4 million in loans last week. Mr. Wranovix stated that he and Ms. Denihan will update the housing affordability report for Manatee County.

Motion made by Rich Pierro, seconded by Frank Dodson, and carried unanimously to increase the income limit to 150% of median income on non-MCC loans in the TBA program.

VI. Multi-family Programs:

- A. Discussion regarding Reef at Riviera Project: Ms. Abbott stated that the issue closed on April 28, 2020, as expected.
- B. Discussion regarding status of Gorman & Company application. Ms. Abbott reminded the members that a mini-application was received on this project earlier this year. Unfortunately, the project was not approved for a SAIL loan through FHFC. The developer is restructuring the financing with local bonds and 4% tax credits. A full application is expected to be submitted in late July or August.

VII. Other:

- A. FLALHFA conference sponsorship. Mr. Dodson stated that the Authority's budget for FLALHFA conference sponsorship is at the gold level unless the

conference is held within 50 miles of Manatee County, then the sponsorship is at the host level. He suggested that, since the physical conference has been replaced by a virtual conference, that the Authority request a refund of \$2,500 and leave \$2,500 as a gold level sponsorship of the virtual conference. Mr. Pierro stated that FLALHFA provides very valuable support for affordable housing and he would prefer to leave the entire sponsorship in place. Motion made by Frank Dodson, seconded by Jay Heagerty and carried unanimously to request a refund from FLALHFA of \$2,500 and maintain the gold level sponsorship.

Mr. Hendrickson stated that the virtual conference will begin on June 23, 2020. There will be one to two webinar sessions per week over a five to six week period. Due to the retained sponsorships, there will be no registration fees charged to attend the webinars.

- B. NALHFA conference. Ms. Abbott indicated that three members were registered for the NALHFA conference before it was cancelled. NALHFA sent out an email in early May stating that the Authority had the option to donate the registration fees, apply the registration fees to the virtual conference registration fees, defer the registration fees to the next conference, or request a full refund. The deadline for a response to NALHFA was May 15, 2020. Since the Authority did not have a meeting during that period, Ms. Abbott requested a full refund of the registration fees. The members concurred with this action.
- C. Denise Thomas reported that Manatee County will be rolling out its rental and mortgage assistance program soon. There are over 18,000 residents who are unemployed due to COVID 19. The program is designed to prevent evictions and foreclosures.
- D. Mark Hendrickson reported on the legislative front. FLAHFA is trying to protect full appropriation of the Sadowski funds. SHIP funds may be used for rental assistance due to COVID 19.
- E. Tim Wranovix stated that the Authority may receive a supplement to the servicing agreement with U.S. Bank containing low level price adjustments for loans that go into forbearance after purchase by U.S. Bank. However, due to the very low number of conventional loans in the Authority's TBA program, U.S. Bank may not send the supplement.

VIII. Motion made by Rich Pierro, seconded by Jay Heagerty and carried unanimously to adjourn the meeting at 2:07 p.m.

Respectfully submitted:

By: _____
Frank R. Dodson, III, Secretary/Treasurer