

Brevard County Housing Finance Authority

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MEETING MINUTES

February 24, 2021

The Brevard County Housing Finance Authority convened on the 24th day of February, 2021, at the hour of 3:00 p.m. in the Lecture Room of the Brevard County Agricultural Center, 3695 Lake Drive, Cocoa, Florida, and by telephone conference call.

Present in person: Kamran Sarkarati, Chairman
Michael Hartman, Vice-Chairman
Barry Forbes, Secretary/Treasurer
James Katehakis, Assistant Secretary / Treasurer
Alison Colvard, Member
Angela A. Abbott, Esquire

Present by telephone: Alison Colvard, Member
Mark Mustian, Nabors, Giblin & Nickerson, P.A.
Marianne Edmonds, Public Resources Advisory Group
Cameron Hill, RBC Capital Markets
Debbie Berner, RBC Capital Markets
Sue Denihan, eHousing Plus
Carl Rheuban, HKH Tropical GP, LLC
Stephanie Sinito, Millennia Housing Department

- I. The Chairman opened the public hearing at 3:00 p.m. regarding the proposed issuance of not to exceed \$32,340,000, Multifamily Housing Revenue Bond, Series 2021 (Millennia Project) pursuant to the Notice of Public Hearing which was properly published, and asked for public comment. Hearing none, the public hearing was closed at 3:01 p.m.
- II. The Chairman, Kamran Sarkarati, called the meeting to order at 3:01 p.m. and determined the presence of a quorum.

- III. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.
- IV. Consent Agenda: Motion made by Jim Katehakis, seconded by Barry Forbes and carried unanimously to approve the Consent Agenda as follows:
- A. Approval of Minutes of January 27, 2021 meeting
 - B. Approval of payment of Hendrickson Ink invoice for website maintenance
- V. Multi-Family Programs:

- A. Status report on application of Millennia Housing Development (Jupiter Ridge, Armstrong Glen and Sandpoint Village Projects, collectively Millennia Project) and approval of Resolution No. 2021-01.

Ms. Edmonds indicated that this issue was induced in May, 2020, with an original issue size of \$24,840, 000. Due to increased construction costs, scope of rehabilitation changes and increases in the relocation budget, the issue size has increased to \$32,340,000. Mark Mustian prepared and presented Resolution 2021-01, which amends and restates the prior resolution and increases the bond amount. The project is currently going through credit underwriting. Alison Colvard asked about the increase in relocation costs. Stephanie Sinito responded that the original plan was to have on-site relocation. However, since there has been no tenant turnover, off-site relocation will be required. Jim Katehakis asked about the increase in construction costs. The Authority discussed the great increases in construction costs.

Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to approve Resolution No. 2021-01 entitled:

A RESOLUTION AMENDING AND RESTATING IN ITS ENTIRETY RESOLUTION NO. 2020-02 OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY; AND PROVIDING AN EFFECTIVE DATE.

Resolution No. 2020-02 of the Brevard County Housing Finance Authority, adopted March 25, 2020, is hereby amended and restated in its entirety to read as follows:

“RESOLUTION REGARDING THE OFFICIAL ACTION OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY RELATIVE TO THE ISSUANCE OF NOT TO EXCEED \$32,340,000 MULTIFAMILY HOUSING REVENUE BONDS FOR THE PURPOSE OF ACQUIRING, REHABILITATING, EQUIPPING, AND DEVELOPING A MULTIFAMILY RESIDENTIAL HOUSING FACILITY FOR PERSONS OR FAMILIES OF LOW, MIDDLE OR

MODERATE INCOME; FURTHER AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BY AND BETWEEN THE AUTHORITY AND BREVARD FL TC, LP; AND PROVIDING AN EFFECTIVE DATE.”

Ms. Abbott stated that this matter will have to go back to the Board of County Commissioners for approval of the increased amount.

- B. Status report of application of HKH Tropical LP (Tropical Manor Apartments Project): Ms. Abbott stated that this issue is expected to close in mid to late March, 2021.

VI. Single Family Programs:

Status Report on 2012-2020 TBA/MCC Program and discussion regarding funding of Down Payment Assistance loans:

Ms. Abbott presented a written status report on the Single Family Program as of January 31, 2021. During the month of January, one (1) new loan closed and three (3) loans paid off. There is one loan currently pending. The agenda package included status reports on the DPA and GNMA Custody accounts, and a summary of GNMA profits as of January 31, 2021. The average GNMA profit per loan this fiscal year is \$7,879.36, which covers the \$7,500 second mortgage, plus a net profit of \$379. The current balance in the DPA custody account is approximately \$206,611. The Authority determined at the meeting in September, 2020, that it will continue to fund the second mortgage program in increments of \$100,000 whenever the account drops below \$150,000.

VII. Report of Public Resources Advisory Group, Inc:

Ms. Edmonds stated that recent changes in tax law regarding the calculation of 4% tax credit equity (4% flat rate instead of variable) is favorable for developers. More tax credit equity makes projects more viable. Michael Hartman asked whether rates on tax exempt bonds are increasing. Ms. Edmonds stated that she has not priced anything since the market has changed.

VIII. Report of Angela A. Abbott, Esquire:

Ms. Abbott stated that the Agriculture Center is not available for the meeting scheduled for March 24, 2021. If the Authority needs to hold a meeting in March, it will have to adjust the meeting date or location.

- IX. Other: Barry Forbes stated that the CD rates in the Fidelity account are falling from a range of 2.0% to 1.0% down to 0.04%. The CD's are laddered. As they come due, Mr. Forbes does not see the point in reinvesting in CD's at these very low rates. Mr. Sarkarati

suggested, and the members agreed, that funds should be invested in bank money market accounts and short term CD's for FDIC insurance purposes.

- X. Motion made by Alison Colvard, seconded by Michael Hartman and carried unanimously to adjourn the meeting at 3:15 PM.