

BREVARD COUNTY HOUSING FINANCE AUTHORITY
4420 South Washington Avenue Titusville, Florida 32780
(321) 264 - 0334 Phone
(321) 269 - 6840 Fax

MINUTES
May 22, 2024

The Brevard County Housing Finance Authority convened on the 22nd day of May, 2024, 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
Alison Colvard, Member
Angela A. Abbott, Attorney for the Authority
Mike Scully, Interim President/CEO, Crosswinds Youth Services
John Pilley, CPA, Crosswinds Youth Services, Inc.

Present by telephone: Martin Mustian, Nabors, Giblin & Nickerson
Marianne Edmonds, Public Resources Advisory Group
Molly Clark, Public Resources Advisory Group
Helen Feinberg, RBC Capital Markets
Paul Shevchuk, SBV

- I. The Chairman called the meeting to order at 3:06 p.m., determined the presence of a quorum and acknowledged publication of the notice of meeting.
- II. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.
- III. Consent Agenda: Motion made by Michael Hartman, seconded by Alison Colvard and carried unanimously to approve the Consent Agenda as follows:
 - A. Approval of Minutes of February 28, 2024 meeting
 - B. Approval of payment of Hendrickson Ink invoice for website maintenance
 - C. Approval of payment of invoice of Public Resource Advisory Group for 1st Quarter, 2024
 - D. Approval of payment of invoices of Angela A. Abbott, P.A. for 1st Quarter, 2024
 - E. Approval of payment of Computershare invoice in connection with the Single Family 1985 issue
 - F. Approval of Omnibus Assignment, Assumption and Consent Agreement among Wells Fargo Bank, N.A., Computershare Trust Co., N.A. and the Authority

Prior to the approval of the Consent Agenda, Ms. Abbott pointed out noted the following changes to the Omnibus Assignment, Assumption and Consent Agreement among Wells Fargo Bank, N.A., Computershare Trust Co., N.A. and the Authority: the governing law for the agreement will be Florida instead of New York, and Schedule 1 has been updated to include the Authority's single family programs.

IV. Report of Treasurer, Barry Forbes:

- A. Presentation of 2nd Quarter, FY 2023-2024 Treasurer's Report: In the absence of Mr. Forbes, Ms. Abbott presented the budget comparison, balance sheet and checkbook ledger for the second quarter of fiscal year 2023-2024. She noted that the past due fee for Southlake Towers was paid in April. Income, particularly on investments, continues to exceed the budget, while expenses are under budget. Motion made by Michael Hartman, seconded by Alison Colvard and carried unanimously to accept the report of the Treasurer into the record.

- B. Discussion regarding proposed custody account for investments: The Authority received quotes from the active trustees in the state of Florida to serve as custodian for the Authority's investment funds. Bank of New York Mellon quoted an annual fee of \$7,500, plus an acceptance fee of \$3,500. Wells Fargo/Computershare quoted an annual fee of \$3,500, with no acceptance fee. U.S Bank quoted an annual fee of \$1,250, plus expenses of \$93.75, and an acceptance fee of \$500. Ms. Abbott stated that each of the trustees/custodians will invest the Authority's funds in a money market account that meets the Authority's investment guidelines. The current interest rates on the money market accounts are 5.23% with Bank of New York Mellon, 4.86% with Computershare and 4.76% with U.S. Bank. None of the trustees/custodians will provide investment advisory services, but the Authority may contract with their affiliates for these services if needed. Ms. Abbott distributed a schedule of the CD's in the Fidelity account. She noted that all of the companies under consideration perform very well. Mr. Sarkarati noted that a money market account could "break the buck" but it is unlikely in the short run. Following discussion, motion made by Michael Hartman, seconded by Alison Colvard and carried unanimously to approve the custody agreement with U.S. Bank Trust Company, N.A. and to transfer the funds currently invested with Fidelity to U.S. Bank.

V. Status Reports on Special Projects:

- A. Loan Agreement with Housing for Homeless ("HFH") f/k/a Coalition for the Hungry and Homeless: The loan to HFH is paying as agreed. A summary of all payments was included in the agenda package.

- B. Loan to Community of Hope, Inc.: The loan to Community of Hope is paying as agreed. A summary of all payments was included in the agenda package.

- C. Discussion regarding status of loan to Crosswinds Youth Services: Mike Scully stated that he is now serving as the interim President and CEO of Crosswinds. Crosswinds has been

able to internally fund the keyless entry and security system project, so it will not need a loan from the HFA for this purpose. However, there may be another need coming within the next 60 -90 days. He introduced John Pilley, who is a CPA with substantial government audit and finance experience. The organization is improving internal controls and policies. Lynn Cowart will be retiring at the end of June.

VI. Multi-Family Programs:

- A. Discussion regarding status of application of Emerald Place Florida, L.P. (Emerald Place Project): Ms. Abbott stated that the issue is moving through credit underwriting with Seltzer Management Group and expects to seek final approval from the Authority at its August meeting, with a closing shortly thereafter. Paul Shevchuk offered to answer any questions.
- B. Discussion regarding status of application of Cocoa Leased Housing Associates II, LLLP (Oak Meadows Apartments Project): Helen Feinberg provided an update on behalf of Dominion. Dominion is finalizing its third party reports. This issue is on the FHFC agenda on August 28, 2024. There are draft letters of intent for the financing. Organizational calls will begin in June or July. The issue hopes to close in September or October, 2024. She added that FHFC will continue ELI loans of \$4,070,000, and non-ELI loans of \$6 million.

VII. Single Family Programs:

- A. Status report on 2012-2023 TBA / MCC Program and discussion regarding funding of Down Payment Assistance loans: Ms. Abbott presented a written status report on the Single Family Program for the months of February, March and April, 2024. She indicated that six new loans closed, two loans paid off, one new foreclosure was filed, and one foreclosure was dismissed. Two new loans have closed in May and three additional loans are reserved. She added that she thinks the \$15,000 DPA is primary reason for the increased interest in the program. FHFC is now offering only \$10,000 in DPA.

In regard to a new Mortgage Credit Certificate ("MCC") program, Ms. Abbott stated that she and Sue Denihan have reached out to lenders regarding their interest in a new MCC program. Unfortunately, there is no lender interest at this time. Ms. Abbott does not recommend proceeding forward with an MCC program until lenders are supportive.

- B. Quarterly status report on second mortgages: Ms. Abbott presented second mortgage report for the quarter ending March 31, 2024. She noted that there are five (5) pending foreclosures.

VIII. Report of Angela A. Abbott, Esquire:

- A. Contract Review: Ms. Abbott presented a memo containing a summary of her current retainer agreement and fees paid by similar HFA's to their attorney and executive

director. She indicated that the agreement has not been reviewed or adjusted in seven years. The memo contained a proposal for an increase in fees with annual adjustments. She noted that the HFA operates very efficiently. She provides legal services and all administrative functions as an independent contractor. Therefore, no benefits such as health insurance or retirement are paid. Further, her office serves as the HFA office at no additional cost for rent, phones, equipment, utilities or staffing.

Motion by Michael Hartman, seconded by Alison Colvard and carried unanimously to approve Ms. Abbott's request for adjustments to her retainer agreement effective July 1, 2024.

- B. Ms. Abbott encouraged the members to attend the FLALHFA conference in St. Augustine, July 10-13, 2024
- IX. Motion by Michael Hartman, seconded by Alison Colvard and carried unanimously to adjourn the meeting at 3:37 p.m.