

BREVARD COUNTY  
HOUSING FINANCE AUTHORITY

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MINUTES  
January 22, 2025

The Brevard County Housing Finance Authority convened on the 22<sup>nd</sup> day of January, 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: Michael Hartman, Vice Chairman  
James Katehakis, Assistant Secretary/Treasurer  
Alison Colvard, Member  
Angela A. Abbott, Attorney for the Authority  
Drew Warren, Community of Hope  
Thomas Alderson, Computershare  
Scott Williams, Computershare  
Christine Noll-Rhan, Carr, Riggs & Ingham, LLC  
Jennifer Polk, Carr, Riggs & Ingram, LLC

Present by telephone: Kamran Sarkarati, Chairman  
Mark Mustian, Nabors, Giblin & Nickerson  
Molly Clerk, Public Resources Advisory Group  
Chandler Luger, RBC Capital Markets  
Cameron Hill, RBC Capital Markets  
Stephen DePietto, SBV Real Estate

- I. The Chairman opened the public hearing at 3:00 p.m., regarding the proposed issuance of not to exceed \$50,000,000, Single Family Mortgage Revenue Bonds, 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 called the meeting to order at 3:01 p.m., determined the presence of a quorum and acknowledged publication of the notice of meeting.
- III. Public Comments: The Chairman called for public comment. Hearing none, public comment was closed.

IV. Presentation of Carr, Riggs & Ingram, LLC:

- A. Presentation of Audited Financial Statements for the year ended September 30, 2024, and authorization to execute management representation letter and engagement letter: Christine Noll-Rhan and Jennifer Polk presented and reviewed the Financial Statements for the fiscal year ended September 30, 2024. Ms. Noll-Rhan thanked Ms. Abbott for providing the information and reports requested in a timely manner. She stated that the statements are being presented in draft form pending the receipt of the systems and operation controls report from Computershare. No further changes are expected to the statements. The financial statements are clean and unqualified. She reviewed the financial statements, the Management Discussion and Analysis, and Required Communications in detail. She noted that the HFA had a positive change in net position of approximately \$446,000 due primarily to the increase in investment income. She noted an increase in loans receivable of approximately \$119,000, due to an increase in loans under the TBA program. There was a decrease in liabilities of approximately \$170,000 due to the return of the developer deposit for the Oak Meadows issue. Operating revenues were down about \$10,000 and operating expenses were down about \$13,000. Ms. Noll-Rhan stated that the Independent Auditor's report on internal control is a clean report with no findings. The management letter and report on compliance, which are required by the Auditor General, are clean. She noted that the Authority is in compliance with local government investment policy. She further presented the required communications letter which is clean, with no issues or fraud noted. Mr. Hartman asked why, on page 54, the total number of independent contractors is zero when there was compensation paid. Ms. Noll-Rhan explained that this section is in response to very specific required information under Section 218.39 (3) (c), Florida Statutes. The response is zero because no compensation was paid during the last month of the fiscal year.

Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to accept the Financial Statements into the record and to authorize the execution of the management representation letter and engagement letter.

- B. Approval of payment of fees for preparation of Audited Financial Statements for the year ended September 30, 2024: Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to approve payment of the fees of Carr, Riggs and Ingram, LLC for the preparation of the Financial Statements for the year ended September 30, 2024.
- V. 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 October 16, 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 4<sup>th</sup> Quarter, 2024

- D. Approval of payment of invoices of Angela A. Abbott, P.A. for 4<sup>th</sup> Quarter, 2024
- E. Approval of payment of Florida ALHFA annual dues for 2024

VI. Report of Treasurer, Barry Forbes:

- A. .Presentation of 1st Quarter, FY 2024-2025 Treasurer’s Report: Mr. Forbes presented the budget comparison, balance sheet and checkbook ledger for the first quarter of fiscal year 2024-2025. He noted that income, particularly on investments, continues to exceed the budget, while expenses are under budget. Ms. Abbott noted that the issuer fees in connection with the Millennia project are past due since July, 2024. The Trustee’s fees are also past due. Mr. Williams noted that the Trustee has scheduled calls with the borrower and the “controlling party” for the bond holder, who has requested that the Trustee stand down. Ms. Abbott stated that she would obtain more information on this issue and distribute it to the members. Mr. Forbes mentioned that the Authority may need to put the borrower on notice of default and investigate remedies for the nonpayment and other issues. Motion made by Jim Katehakis, seconded by Alison Colvard and carried unanimously to accept the report of the Treasurer into the record.
- B. Discussion regarding U. S. Bank custody account for investments: Mr. Forbes stated that he is working with U. S. Bank and Fidelity to move the funds out of the Fidelity account and over to the U.S. Bank custody account. The current CD’s in the Fidelity account are continuing to earn 4% to 5%, which is similar to the return on the U.S. Bank custody account.

VII. 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. Ms. Abbott noted that there is only one payment remaining due on this loan.
- B. Loan to Community of Hope, Inc. (“CoH”): A summary of all payments was included in the agenda package. Ms. Abbott indicated that Community of Hope had an issue with its auto-pay system which caused payments to be missed. The payments have been brought up current as a result of Mr. Warren delivering a check today.

VIII. Multi-Family Programs:

- A. Discussion regarding status of application of Cocoa Leased Housing Associates II, LLLP (Oak Meadows Apartments Project): Ms. Abbott stated that this issue closed on November 6, 2024, as expected.
- B. Discussion regarding status of application of Emerald Place Florida, L.P. (Emerald Place Project): Ms. Abbott stated that the Board of County Commissioners approved the

TEFRA hearing for this issue on October 22, 2024. This issue is expected to close the first week of February, 2025.

- C. Discussion regarding anticipated multifamily application: Ms. Abbott reported that a new construction multifamily bond application is expected within the next couple of weeks. The senior project is located in Palm Bay and will have approximately 250 units. She reminded the members that, following the denial of the Heritage Oaks project, the Brevard County Commission adopted an ordinance regarding the requirements for the TEFRA hearing approval for proposed newly constructed multifamily projects. Notice of the public hearing must be distributed to all neighboring property owners within 500 feet of the property, and to the municipality in which the property is located, at least ten days prior to the hearing. The public hearing must be held within the zip code if the property is located in the county, or within the municipality if the property is located in a municipality. If a suitable location cannot be reasonably secured then the hearing shall be held within 10 miles of the subject property. Following discussion, the members determined that the public hearing and the next Authority meeting will be held in Palm Bay as required by the new county Ordinance.

IX. Single Family Programs:

- A. Status report on 2012-2024 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 October, November and December, 2024. She indicated that five new loans closed, and four loans paid off, one of which had been in foreclosure. One new loan is expected to close in January, 2025. Loan production is more than double as compared to last year.
- B. Approval of extension of Interlocal Agreement with HFA of Hillsborough County: Motion made by Alison Colvard, seconded by Jim Katehakis and carried unanimously to approve the extension of the Interlocal Agreement, as presented.
- C. Quarterly status report on second mortgages: Ms. Abbott presented second mortgage report for the quarter ending December 31, 2024.
- D. Discussion regarding allocation process: Mark Mustian reminded the Authority of the changes in the allocation process effective January 1, 2025. The composition of the regional pool has changed and the amount of allocation in the region has increased. In early January, 2025, there were applications of \$17,845,000 submitted by the Volusia County HFA, which leaves additional Region 9 allocation of approximately \$122 million. The Volusia HFA is planning to submit applications for a multifamily project of \$40 million and plan of finance of \$75 million in February, 2025, which will leave only about \$5 million in the Region 9 pool. The Brevard Authority now has about \$82 million in carryforward allocation, \$12.9 million of which will be used for the Emerald Place issue. Ms. Abbott explained that the Authority will have sufficient allocation for the new multifamily application of \$37 million, with about \$32 million in remaining carryforward

allocation, which will not expire until the end of 2027. The new Plan of Finance allocation of \$50 million, which the Authority will apply for following County Commission approval, may be carried forward for use for multifamily projects in 2026. The regional allocation will be available until May 31st, after which time the remaining unused allocation will be available statewide for pending affordable housing allocation requests. Ms. Abbott suggested allowing the Volusia HFA to take most all of the Region 9 allocation this year. The Brevard HFA may still obtain allocation from the statewide housing pool or from the carryforward pool in 2025. She is hopeful that, going forward, the Brevard and Volusia HFA's will share the regional pool or alternate in requesting plan of finance allocation.

- E. Discussion and approval of Resolution No. 25-01: Motion made by Alison Colvard, seconded by Barry Forbes and carried unanimously to approve Resolution No. 25-01 entitled:

A RESOLUTION OF THE BREVARD HOUSING FINANCE AUTHORITY APPROVING A PLAN OF FINANCE INVOLVING THE ISSUANCE BY AUTHORITY OF ITS SINGLE FAMILY MORTGAGE REVENUE BONDS IN AN AGGREGATE FACE AMOUNT OF NOT TO EXCEED \$50,000,000 IN ONE OR MORE SERIES; APPROVING USE OF STATEAWARDED PRIVATE ACTIVITY BOND ALLOCATION ("ALLOCATION") FOR MORTGAGE CREDIT CERTIFICATE PROGRAMS OR MULTIFAMILY CARRY FORWARD; AUTHORIZING THE PROPER OFFICERS OF THE AUTHORITY TO DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH THE PLAN OF FINANCE AND RATIFYING PRIOR ACTIONS REGARDING SAME; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

- X. Report of Public Resources Advisory Group, Inc.: Molly Clark stated that PRAG is monitoring the new allocation process and will advise the HFA as needed.

- XI. The meeting adjourned at 3:38 p.m.