

BOARD MEETING MINUTES
Wednesday, November 11, 2010

A regular Board meeting of the Housing Finance Authority of Broward County, Florida, was held on Wednesday, November 10, 2010 at 110 NE 3rd Street, Suite 201, Fort Lauderdale, Florida. Secretary, Kirk Frohme called the meeting to order at 5:30 p.m.

Present: Kirk L. Frohme, Secretary
Robert McKinzie, Jr., Assistant Secretary
Bertha Smith, Member
Daniel D. Reynolds, Member
Donna Jarrett, Member
Jose "Pepe" Lopez, Member

Absent: Brad Orvieto, Chair
Jon Dorsey, Vice Chair
Kenneth Thurston, Member

Staff: Noel Pfeffer, Deputy County Attorney
Purvi Bhogaita, Assistant County Attorney
Mary O'Donnell, Broward County Accounting Division
Norman Howard, Assistant to the Director
Elizabeth Kersting, Interim Administrative Assistant

Also Present: Deborah Zomermaand, Zomermaand Financial Advisory Services
Jeff DeCarlo, Adorno & Yoss
Andy Lafear, Regions Financial Corp
Vladimir Munoz, Regions Financial Corp
Liz Feezor, Bank of New York Mellon Trust
Helen Feinberg, RBC Capital Markets
Nicholas Hoffer - Raymond James & Associates
Alexandra Band - Raymond James & Associates

CALLING OF THE ROLL

A Roll Call was taken and a quorum declared.

CONSENT AGENDA (1 through 2)

1. Approval of August 11, 2010 Regular Meeting Minutes
2. Executive Report

MOTION was made by Mr. Jose Lopez, seconded by Mr. Daniel Reynolds to approve the Consent Agenda for November 10, 2010. This motion was unanimously approved.

ACTION ITEMS (3 through 6)

3. Monterra Apartments

HFA Financial Advisor Ms. Debbie Zomermaand requested HFA Board authorization to rescind a prior Resolution and enter into an Interlocal Agreement with Florida Housing Finance Corporation pertaining to the tax-exempt bond portion of the financing for Monterra Apartments, and authorize appropriate officers to take other actions necessary or advisable. She referred to the HFA October 13, 2010 meeting whereby the HFA Board approved a final structure, credit-underwriting report, Interlocal Agreement and Resolution. She said that subsequent to the October 13, 2010 meeting the HFA received correspondence from the Developer requesting a modification of the previously approved trustee for Monterra Apartments as Florida Housing is now requiring U.S. Bank National Association (“U.S. Bank”) as trustee on all NIBP program transactions pursuant to changes initiated by the Government Sponsored Enterprise’s (the “GSE”) counsel. The trustee substitution was acceptable to Bank of New York.

Ms. Zomermaand mentioned that although U.S. Bank is not a member of the HFA’s professional team, this substitution is recommended since the modification is necessary for the HFA to participate within the Monterra transaction and the substitution is a requirement of the GSE and is not negotiable and since the Bonds will be issued by FHFC the substitution will not violate the policies of the HFA or BOCC.

Motion was made by Mr. Jose Lopez, seconded by Ms. Bertha Smith to approve a Resolution of the Housing Finance Authority of Broward County, Florida (the “HFA”) approving the form and authorizing the execution and delivery of an Interlocal Agreement among the HFA, Broward County and the Florida Housing Finance Corporation (“Florida Housing”) relating to the issuance of bonds by Florida Housing for the purpose of financing the acquisition and construction of a multi-family residential development in Broward County, Florida to provide housing for persons and families of low and moderate income and known as Monterra Apartments; authorizing certain officials of the HFA to take all actions necessary in connection therewith; providing certain other findings and details with respect thereto; rescinding prior resolution; and providing an effective date. This motion was unanimously approved.

4. Sorrento Apartments

HFA Financial Advisor, Ms. Debbie Zommermaand provided an update on Sorrento Apartments which she stated was approved in concept by the HFA Board on June 10, 2010. Subsequent to the June 10, 2010 meeting, the proposal moved forward and the Developer requested Board approval for three changes to the initial concept:

- Approval of HFA tax-exempt bond availability in an amount up to \$6,000,000 versus \$5,000,000.

- Authorization allowing for the use of FHFC Private Activity Bond (“PAB”) allocation versus HFA PAB allocation (due to complications that exist with multiple Issuers within one Bond transaction.)
- Authorization to use U.S. Bank National Association (“U.S. Bank”) as trustee on the NIBP program transaction pursuant to changes initiated by the Government Sponsored Enterprise’s (the “GSE”) counsel.

Pursuant to HFA policy, a Credit Underwriter has been assigned to assess the feasibility and readiness of the development on behalf of the HFA. As the Credit Underwriting, report will not be final prior to the Board consideration, HFA staff and financial advisor requested Board approval subject to a positive credit underwriting report. *Mr. Robert McKenzie entered the meeting at 5:35pm*

Motion was made by Mr. Jose Lopez, seconded by Mr. Daniel Reynolds to approve a Resolution of the Housing Finance Authority of Broward County, Florida (the “HFA”) approving the form and authorizing the execution and delivery of an Interlocal Agreement among the HFA, Broward County and the Florida Housing Finance Corporation (“Florida Housing”) relating to the issuance of bonds by Florida Housing for the purpose of financing the acquisition and construction of a multi-family residential development in Broward County, Florida to provide housing for persons and families of low and moderate income and known as Sorrento Apartments; authorizing certain officials of the HFA to take all actions necessary in connection therewith; providing an authorized and approved credit report; providing certain other findings and details with respect thereto; and providing an effective date. This motion was unanimously approved.

5. Election of New Officers for Year 2011

On nomination by Mr. Lopez, seconded by Mr. McKinzie, Jr., it was unanimously approved that Mr. Jon Dorsey serve as Chair of the Housing Finance Authority of Broward County for Year 2011.

On nomination by Mr. Lopez, seconded by Mr. McKinzie, Jr., it was unanimously approved that Mr. Kirk Frohme serve as Vice-Chair of the Housing Finance Authority of Broward County for Year 2011.

On nomination by Mr. Lopez, seconded by Mr. Reynolds, it was unanimously approved that Mr. Robert McKinzie, Jr., serve as Secretary of the Housing Finance Authority of Broward County for Year 2011.

On nomination by Ms. Smith seconded by Mr. Lopez, it was unanimously approved that Mr. Daniel Reynolds serve as Assistant Secretary of the Housing Finance Authority of Broward County for Year 2011.

Motion was made by Mr. Jose Lopez, seconded by Mr. Robert McKinzie to approve the new HFA Board of Officers for Year 2011. This Motion was unanimously approved. Effective January 3, 2011 the new HFA Board of Officers are:

Chair	-	Mr. Jon Dorsey
Vice Chair	-	Mr. Kirk Frohme
Secretary	-	Mr. Robert McKinzie
Assistant Secretary	-	Mr. Daniel Reynolds
Member	-	Ms. Donna Jarrett
Member	-	Mr. Jose Lopez
Member	-	Mr. Brad Orvieto
Member	-	Bertha Smith

6. Meeting and Conference Dates for Year 2011

A motion was made by Mr. Reynolds, seconded by Mr. Lopez, to approve the meeting and conference dates scheduled for calendar year 2011. The meeting dates with no meeting in the month of July were unanimously approved. These dates are as follows:

Conference Dates

- The NALHFA Spring Educational Conference May 18-21, 2011 in San Francisco, CA
- The FLALHFA Conference - July 13-16, 2011 in Key West, FL.

Meeting Dates for Year 2011

January 12, 2011
February 9, 2011
March 9, 2011
April 13, 2011
May 11, 2011
June 8, 2011
July 2011 **(No HFA Meeting)**
August 10, 2011
September 14, 2011
October 12, 2011
November 9, 2011
December 7, 2011

UPDATE ITEM

7. Venice Home Apartments Project, Series 2001 A&B – Delinquencies and Default Cured

An update was given by Ms. Zomermaand regarding Venice Home Apartments Project indicating that their default has been cured and current. She deferred to Ms. Feezor who confirmed that the Developer for Venice Home Apartments paid all past due amounts including penalties as of October, 2010. She also mentioned that there is still a default with Florida Housing, according to Florida Housing agreement with the Developer (to have a certain amount set aside in their account). She noted that Florida Housing is the Guarantor for this transaction and explained that when the GP transferred a few years ago Florida Housing required that the Developer maintain a certain amount in their account. The Developer has failed to maintain the minimum balance required in their account. With respect to the HFA, Ms. Feezor noted that the HFA Bond has been cured with no monetary default.

8. **MATTERS OF HFA MEMBERS**

Mr. Daniel Reynolds made reference to the selection of the new HFA Trustee, Regions Bank and requested clarification in terms of Regions Bank not being the trustee for the two multifamily transactions, Monterra Apartments and Sorrento Apartments. Ms. Zomermaand and Ms. Feinberg clarified that the Florida Housing Finance Corporation has selected three approved trustees for their multifamily transactions which include Bank of New York, Wells Fargo, and U.S. Bank. Because these two transactions are being issued under a Master Trust Indenture, counsel under the New Issue Bond Program (“NIBP”) is requiring Florida Housing to use US Bank as Trustee on all NIBP transactions. Ms. Feinberg provided input and also stated that with respect to future Florida Housing Finance Corporation issues which are not NIBP, the trustee would be selected from their pool of approved trustees. Mr. Ralph Stone also addressed this matter providing actions taken for the use of allocations in Gap financing. Ms. Feinberg also noted that certain of the Authority’s single family transactions are issued under a master trust indenture for which the Bank of New York serves as trustee which would provide challenges to the extent the Authority desired to issue bonds under that indenture using a trustee other than the Bank of New York. There was a lengthy discussion among the members and County attorney regarding this matter in terms of the legality of trustee services that will be used in multi-family and single family transactions. This discussion concluded with two motions made as follows:

1. **Motion was made by Mr. Daniel Reynolds, seconded by Mr. Jose Lopez to reconsider the selection of Regions Bank as HFA’s sole Trustee. This motion was unanimously approved.**
2. **Motion was made by Daniel Reynolds, seconded by Mr. Jose Lopez to select Regions Bank as the HFA’s primary Trustee and retaining Bank of New York as secondary Trustee when it is legally prohibited to use Regions Bank as HFA Trustee in future transactions. This motion was unanimously approved.**

9. **MATTERS FROM THE FLOOR**

None

10. **NEXT BOARD MEETING**

December 8, 2010

11. **ADJOURNMENT**

Meeting was adjourned at 6:15pm

Disclosure: The above captioned Minutes are transcribed in a summary format. To hear the full meeting, a compact disk of the meeting (#HFA 11-10-2010) can be provided after 24 hour notice to the administrative office at 954-357-4928