

**Housing Finance Authority of
St. Johns County, Florida
Regular Meeting**

**February 22, 2018
Minutes**

The Housing Finance Authority of St. Johns County met at 3:00 pm in the Kingfisher Conference Room at the St. Johns County Health and Human Services Building – Housing Department, 200 San Sebastian View, St. Augustine, Florida 32084.

The meeting was called to order at 3:03 pm by Linda DeGrande, Chair.

Members Present:

Craig Higgins
Jay Kalter
Linda DeGrande
Robert Marshall

Members Absent:

Victor Raymos
Andy Evener
Malinda Peebles

BCC Liaison: Commissioner Jeb Smith

Guests Present:

Seth O'Connell - CPA, Accountant to the HFA, W. H. O'Connell & Assoc.
Jean Mangu - Edwards Cohen, Counsel to the HFA
Rebecca Lavie – County Attorney's Office
Bill Lazar – St. Johns Housing Partnership
Malinda Everson – Habitat for Humanity
Sally Walters – Gemini Development, LLC
Joseph Cone – HHS, Housing & Community Services Manager
Julie Voorhees – HHS Support Staff, Housing
Virginia Campbell – HHS Support Staff, Housing
Mary Garcia – HHS Support Staff

Notices regarding the meeting were sent to all members. No press was in attendance.

Additions/Deletions to Agenda and Approval of Agenda:

Motion made by Craig Higgins to approve the agenda as presented; motion seconded by Jay Kalter. **Motion passed unanimously.**

Public Comments:

None.

Approval of Minutes:

- **Motion** made by Jay Kalter to approve the minutes from the January 25, 2018 meeting; motion seconded by Craig Higgins. **Motion passed unanimously.**
- **January 2018 Financials:** Seth O'Connell discussed the financials and reported payables have all been paid to date and there will be money in the bank after the last two homes have closed. Mr. O'Connell said he is waiting for the December and January draws from AmeriNat, totaling approximately \$13,000 and \$10,000, respectively. Mr. O'Connell said he had occasion to look back at the earliest houses built through the most recent and found that the very first homes sold had cash losses but the most recent have broken even. Joe Cone asked why this discrepancy should occur and Mr. O'Connell explained there are many variables such as out of the ordinary charges like the new wall one of the homes required or the fact that some sales have no real estate commission, which can represent \$3,000 to \$4,000. Mr. O'Connell reported the auditors have everything they need and he expects to hear from them soon.

New Business:

None.

Old Business:

- **CWHIP Update:** Julie Voorhees reported two closings are scheduled tomorrow. Ms. Voorhees said this will leave two HFA homes and one Habitat home and when they are closed, that will complete the CWHIP program. Jean Mangu stated the six month extension to wrap up the program has been granted by Florida Housing Finance Corporation and she is simply waiting for them to incorporate her suggested changes into their initial documents. In the interest of saving time, Ms. Mangu revised the documents herself and brought them for the HFA and Habitat to sign. Ms. Mangu will forward the signed document to Florida Housing. Ms. Mangu also reported she has been working very hard to get AmeriNat to agree to release Gemini's letters of credit. Ms. Mangu said AmeriNat changed its criteria and was not willing to release the letters of credit until closing. Ms. Mangu asked AmeriNat to reconsider and release the letters upon the release of lien but it will not take this step until it has approval from both Florida Housing and Florida Housing's legal counsel. Sally Walter's expressed her frustration with the situation and asked what further steps the HFA might take to compel AmeriNat to release her letters of credit. A discussion ensued and options were discussed. It was ultimately decided that Jean Mangu will send a certified letter to AmeriNat, with a copy of Florida Housing. Ms. Mangu said she is also willing to call Cyndi Stevenson regarding the matter if needed. Seth O'Connell suggested expediting the closing of the remaining two houses in the CWHIP program. Julie Voorhees said at least 3 weeks is needed in order to close. Sally Walters pointed out her letters of credit expire on March 30th, so the closing will have to take place before that time or, as they have done in the past, AmeriNat may seek another letter of credit from her. Discussion also ensued with regard to SkyeTec, as certifications are beginning to lag. Ms. Voorhees stated response time was much better when Joe Cone intervened several months ago but the process is slowing down again. Ms. Voorhees will forward the SkyeTec contact name to Sally Walters to see if she can get the process moving more quickly. Seth O'Connell said a SkyeTec delay won't affect the closing of the last two houses as there are sufficient funds to close without the draw.

- **Own a Home Opportunity Program Update:** Tim Wranovix emailed Jean Mangu and apologized for being unable to attend the meeting. The program made approximately \$5,300 between January and February, 2018. Linda DeGrande reported the annual meeting was cancelled and she did not receive notification. Ms. DeGrande apologized but said she did drive to the hotel and she stayed overnight on Sunday, only to learn the meeting was cancelled. Seth O'Connell advised Ms. DeGrande to submit her mileage and her lodging receipt for reimbursement.
- **Other Matters:** Linda DeGrande asked Bill Lazar, St. Johns Housing Partnership (SJHP), if he would provide the HFA with a report, charting the progress of the Neighborhood Stabilization Program (NSP). Mr. Marshall explained under this program, the HFA was given federal funds in order to purchase bank owned or foreclosed properties. Mr. Marshall stated a certain number of the properties could be given to a not-for-profit, so they could turn them into rentals and manage them, with a zero interest mortgage, which included the purchase price and the cost to rehabilitate the home. Mr. Lazar said SJHP must manage these properties for 20 years and at the end of that time, the note is completely forgiven. Mr. Lazar explained some of the homes must be rented to individuals below 50% of the area median income (AMI) and some to those below 120% AMI. Mr. Lazar said he would be happy to provide an annual report to the HFA each year and he will provide the first to the HFA at the March meeting. Mr. Lazar also offered to take the HFA on a field trip to visit the properties since most of them are within a 5 mile radius of the Health & Human Services Center.

Linda DeGrande asked Joe Cone for an update on the Credit Counseling program since it has moved in-house to the County. Ms. DeGrande said she would like to see how many people have been counseled and how successful they have been in finding homes. Mr. Cone said he would be happy to provide some reporting. Virginia Campbell interjected and advised there are currently 75 active clients. A discussion ensued regarding the best way to market to the people that have graduated the program and point them toward reputable lenders and builders. Mr. Cone expressed some trepidation with sharing client information, even with their permission, because he wants to be sure they aren't taken advantage of and that anyone they are referred to has been fully vetted. Mr. Lazar suggested hosting a housing expo, where lenders and builders could be brought together with credit counseling graduates. Bill Lazar suggested there are others in the community that would be willing to assist in reaching out to these graduates and help them through the process. Mr. Cone promised to provide the HFA with reporting on the program since it has come under the County's Housing department.

Robert Marshall inquired about DRI funds from Nocatee and wondered who had received the money and what was being done with it. Joe Cone advised SJHP, Habitat for Humanity, Alpha Omega and ESHC had all received funds. Mr. Cone said he would be happy to provide reporting on what is happening with the funds under each agency. Malinda Everson reported Habitat for Humanity is currently finalizing the contract with their excavation company and plan to break ground on Canopy Oaks in the next couple of weeks. Ms. Everson said there will be 18 homes in Canopy Oaks, which is located off Volusia Street in West Augustine. Bill Lazar offered to come and give an update at the March HFA meeting, on the NSP project and the DRI funding SJHP has received.

Mr. Marshall inquired about the 13 remaining CWHIP properties and what would be done with them. Mr. Cone said he has ordered an internal review and the County's engineering and environmental departments are working on it. Mr. Cone said he hopes to have something to present at the next HFA meeting. Mr. Marshall said he would like

the review to provide an idea of the cost to develop the properties and Mr. Cone said it would. Commissioner Jeb Smith commended Mr. Cone for keeping an eye on cost for the County and for attempting to establish what will be the most effective and efficient use of the remaining CWHIP lots.

- **Housing & Community Development Manager's Statement:** Mr. Cone had nothing additional to report or address.

Meeting was adjourned by Ms. DeGrande at 4:02 p.m.

Next Meeting: The next regular monthly meeting of the HFA will be held on March 22, 2018 in the Kingfisher Conference Room, at the Health and Human Services Center.

Respectfully submitted,

Secretary