

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

**August 23, 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 3:02 pm by Linda DeGrande, Chair.

**Members Present:**

Linda DeGrande  
Jay Kalter  
Victor Raymos  
Robert Marshall  
Malinda Peebles (left meeting early)

**Members Absent:**

Craig Higgins

**BCC Liaison:** Commissioner Jeb Smith

**Guests Present:**

Michael O'Donnell – Recommended to BCC for HFA vacancy  
Seth O'Connell - CPA, Accountant to the HFA, W. H. O'Connell & Assoc.  
Jean Mangu - Edwards Cohen, Counsel to the HFA  
Bill Lazar – St. Johns Housing Partnership  
Malinda Everson – Habitat for Humanity  
Joseph Cone – HHS, Housing & Community Services Manager  
Julie Voorhees – HHS, Housing Support Staff  
Michelle Lawlor – HHS, Housing Support Staff  
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:**

No changes to agenda.

**Public Comments:** None

**Approval of Minutes:**

**Motion** made by Victor Raymos to approve the minutes of the June 28, 2018 meeting; motion seconded by Robert Marshall. **Motion passed unanimously.**

**Motion** made by Victor Raymos to approve the minutes of the July 26, 2018 meeting with one correction; motion seconded by Robert Marshall. **Motion passed unanimously.**

Michael O'Donnell, who has been recommended to the County Commissioners to finish out Andrew Evener's term, introduced himself and explained why he wishes to join the Housing Finance Authority and why he is passionate about affordable housing. Mr. O'Donnell said he is currently working as a CPA at one of the County's largest employers and, after checking with his HR department, he discovered that a vast majority of their employees live outside the County. Mr. O'Donnell said he was told the primary reasons are cost of living and lack of affordable housing. Mr. O'Donnell said he left Ohio 3 years ago to come here and, while he and his wife do live and work in St. Johns County, he said his sister and her family were not able to find employment that would sustain the cost of living here, even after assistance from their parents in purchasing a home. Mr. O'Donnell also said his wife, who works for Flagler Hospital in Patient Services, encounters the County's homelessness issue through her position with the hospital.

### **Financial Report:**

- **Financials – June & July 2018:** Mr. O'Connell stated there was approximately \$4,000 in the bank at the end of July and, of the \$8,900 the HFA is currently owed, approximately \$4,000 is due from AmeriNat for the last CWHIP home. Mr. O'Connell advised not to be alarmed by the approximately \$110,000 deficit, as there were a lot of houses sold in this fiscal year and costs were carried in the prior year. Mr. O'Connell said once those costs clear out at project completion, approximately \$45,000 will be picked up and then costs will have to be deducted. Mr. O'Connell said the project is essentially finished but he has not heard anything yet regarding the close-out. Mr. O'Connell promised a much more in-depth analysis at the next meeting

### **New Business:**

- **FLALHFA Conference Report:** Linda DeGrande said she had nothing further to discuss regarding the conference. Ms. DeGrande said she did make mention of the conference at the special HFA/AHAC meeting held on July 26 and she brought copies of the FLALHFA "Journal of Innovative Activities of Local HFA's Statewide" and they were made available today for meeting attendees to pick up when they signed in.
- **Pay off of Ponce Harbor Bonds:** Jean Mangu reported the last outstanding multi-family bond issue the HFA had has now been paid off. The HFA was not getting any annual income from that bond issue but it was still outstanding. Ms. Mangu said she sent the final signed paper work, which included a satisfaction of mortgage and the HFA's termination of land use restriction agreement, to Julie Voorhees, Joe Cone and Mary Garcia. Ms. Mangu also stated a Florida Housing Finance Corporation home loan had been made for the project and there was a Florida Housing land use restriction agreement, so a part of the project will continue to be set aside for affordable housing until July, 2052. Ms. Mangu said there are 144 units and of those, 70 are set aside for affordable housing, 14 for those with income below 50% area median income (AMI) and 56 for those below 60% AMI.

### **Old Business:**

**CWHIP Update:** Joe Cone handed out packets relating to the property at 950 N. Orange and he reviewed the timeline provided, as well as the site plan and photos, some of which had been provided at the May HFA meeting. Mr. Cone explained he went back out to see this customer, Ms. Bauer, to report the HFA's decision of May 24,

not to take any official action on what she perceives as an issue with the wetlands on her property at 950 N. Orange. Mr. Cone said Ms. Bauer seemed to accept the HFA's decision at that time but he began receiving emails from her shortly thereafter, asking if there was anything further he could do to help her. Mr. Cone discussed this with HFA counsel, Jean Mangu, who advised Ms. Bauer could be offered the opportunity to appeal the HFA's decision and when offered this option, Ms. Bauer asked Mr. Cone to begin this process for her. Toward that end, Mr. Cone asked that staff from Road and Bridge review the permit again, including the original site plan filed by Gemini Development. Mr. Cone said Road and Bridge staff also met with Wesley Smith from Gemini at the property and he quoted \$5,900 to attempt to remedy what the customer deems a problem with the wetlands on the property. Mr. Cone said he also spoke to the realtor who accompanied Ms. Bauer to see the lot prior to her choosing it, and the realtor wasn't certain but did think the property was dry when they looked at it. Mr. Cone said he also had a professional engineer from County Facilities go out and look at this property and the engineer said that while he understands Ms. Bauer's concerns, he doesn't feel there is anything that can be done and he believes the water will eventually recede. Mr. Cone did point out St. Johns County has seen an extraordinary amount of rainfall since May, 2017, as was reported in an article in the St. Augustine Record, a copy of which he provided to those at the meeting. Mr. Cone concluded by asking the HFA members to keep in mind this customer is a first time homeowner and a single mother and that the proximity of the water to her home is rather alarming. Mr. Cone said he realizes the estimates received are rather high and, if nothing else, he said he hoped some sort of compromise could be reached. Mr. Cone emphasized the enormous amount of staff time that has been devoted to this issue and Shawna Novak stated if a resolution cannot be decided upon today, she must ask the HFA to step in and provide a contact name and phone number to Ms. Bauer. Ms. Novak stated a lot of staff resources, from multiple departments, have been devoted to this customer complaint.

Robert Marshall reiterated his initial objection to a retention wall, stating it would do nothing to remedy the situation. Mr. Marshall said wetlands work like a dry retention pond and they just need to be allowed to work the way nature intended. Mr. Marshall said St. Johns County set a record with 47 straight days of afternoon thunderstorms and he said the fact that this property did not flood during Hurricane Matthew or Hurricane Irma just underscores the fact that the wetlands at this property is functioning just as it should. Linda DeGrande said she feels that Ms. Bauer was allowed to choose her lot and she chose this one, even though she was made aware there was wetlands on it and she was even given the option to swap this lot for another. Mr. Kalter said he agreed and he also said he would be very reluctant to do anything to alter the wetlands natural flow and process. Victor Raymos said he saw no way to provide piece of mind to Ms. Bauer other than to buy back her property and he said that was simply not an option. Mr. Raymos did not feel any other remedy would remove the water from her property and could, in fact, make matters much worse.

Linda DeGrande said she would be happy to provide her contact information and she suggested Ms. Mangu draft a letter to Ms. Bauer for Ms. DeGrande to sign, as Chair of the HFA, explaining the HFA's position and asking that any further communication be directed to her. Ms. Mangu said she would prepare the letter. **Motion** made by Jay Kalter not to take any official action on the property at 950 N. Orange and to advise customer Bauer of this decision in a letter sign by Chair, Linda DeGrande; motion seconded by Victor Raymos. **Motion passed unanimously.**

**CWHIP Remaining Lots:** Jean Mangu reported there are 16 CWHIP lots that have not been built upon and 4 additional HFA-owned lots. Ms. Mangu said she has followed up with Florida Housing Finance regarding the release of mortgage of the 16 remaining lots and she did receive an email today from its legal counsel, and he stated he will finish his review by the end of this week and the final release of mortgage should be signed. Ms. Mangu said Mark Frederick at AmeriNat has been copied on all of these documents and she believes AmeriNat will perform its own internal review. Ms. Mangu said she has not yet heard what the formal close-out process will entail but she hopes to have that information soon. Ms. Mangu suggested the HFA members should start to think about what they want to do with the remaining lots. Mr. Cone asked if they would like to schedule another meeting of the subcommittee that has been discussing this matter.

**Motion** made by Jay Kalter for the subcommittee to meet on Thursday, September 13, 2018, at 3:00 p.m.; motion seconded by Robert Marshall. **Motion passed unanimously.** Mr. Cone said he would provide attendees with maps of the CWHIP lots. Ms. Mangu mentioned the property values on these lots have increased from last year to this year, according to the property appraiser values on the tax notices, and the lots are listed there as ranging in value from approximately \$5,000 to \$19,000.

- **Own a Home Opportunity Program Update:** Shawna Novak asked why reports weren't being distributed for this program anymore. Seth O'Connell explained he has not received them from Tim Wranovix and that the August income was approximately \$563 and he believed the payment prior to that was for May, in the amount of approximately \$108. Mr. O'Connell said he believes the total received since the program's inception is nearly \$42,000. Mr. Cone said he would follow up with Mr. Wranovix and find out the status of the monthly reporting. Ms. Mangu added she was advised by Tim Wranovix that Ameris Bank is now an approved lender.
- **Member Appointments:** Jean Mangu advised the Board of County Commissioners will act on the recommendations made by the HFA with regard to vacancies on September 4. Ms. Mangu also stated officer elections will be scheduled for the September HFA meeting.

Linda Degrande said she wanted to mention the Sadowsky Fund and the information in the report Mary Garcia sent out after the HFA/AHAC joint meeting in August. Ms. DeGrande said some Florida counties are actually receiving more money from the fund than what they paid in and she referenced Duval County, which paid in approximately \$11,451,000 to the Sadowsky fund and got back approximately \$14,396,988. Ms. DeGrande said St. Johns County received approximately \$2.1 million less than it put in and many other counties experienced the same thing. Ms. Novak said she is aware of this and has made this one of the County's legislative priorities and an amendment to the statute has been requested.

**Next Meeting:** The next meeting of the HFA will be held on September 27, 2018 in the Kingfisher Conference Room, at the Health and Human Services Center.

Respectfully submitted,

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Secretary