

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

**April 22, 2021
Minutes**

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

The meeting was called to order at 3:03 p.m. by Michael O'Donnell, Chair.

Members Present:

Linda DeGrande
Andrew Evener (attended via Zoom – does not count toward quorum)
Craig Higgins
Robert Marshall
Michael O'Donnell
Erick Saks

Members Absent:

Malinda Peebles

BCC Liaison: Commissioner Jeb S. Smith

Guests Present:

Michael Hartman – Turnstone Development (via Zoom)
Darren Smith – Smith & Henzy
Drew Krinsky – Smith & Henzy
Marianne Edmonds, Public Resources Advisory Group (via Zoom)
Bill Lazar – St. Johns Housing Partnership (via Zoom)
Susan Leigh – The Community Concepts Group (via Zoom)
Tim Wranovix – Raymond James (via Zoom)
Rich Komando, Esq. – Bradley, Garrison & Komando
Sarah Butler – Assistant to Deputy County Administrator
Joseph Cone – Assistant Director, Health & Human Services
Roberto Ortiz – Housing & Community Development Manager
Michelle Lawlor – Housing Support Staff
Virginia Campbell – Housing Support Staff
Mary Garcia – Social Services Support Staff

Notices regarding the meeting were sent to all members. Introductions by HFA members, County staff and guests. Quorum was present. No press was in attendance.

Additions/Deletions to Agenda and Approval of Agenda:

Roberto Ortiz asked that the "Administrator's Report" portion of the agenda be moved up to be heard just before "New Business" items. **Motion** made by Erick Saks to accept the agenda with proposed change; motion seconded by Robert Marshall. **Motion passed unanimously.**

Public Comment: None.

Financial Report/Review of Bills and Correspondence:

- **March, 2021:** Henry O'Connell was unable to attend meeting but did provide copies of financial report to staff and copies were in meeting packets. Roberto Ortiz advised two checks were written for the month; one to Bradley, Garrison and Komando in the amount of \$1,500, representing Mr. Komando's monthly retainer, and one to O'Connell and Associates in the amount of \$667.80 for Mr. O'Connell's work as CPA to the HFA. Mr. Ortiz stated the \$3,000 bond application fee from

Turnstone Development for the Victoria Crossing project was deposited to the HFA's Ameris Bank account on March 31, 2021. Mr. Ortiz said that as requested by the HFA at their March meeting, Mr. O'Connell inquired with Ameris Bank about a higher interest bearing account than the HFA currently holds with that institution. Mr. Ortiz relayed that Mr. O'Connell was advised by Ameris Bank that the HFA could transfer to a public funds money market account, which would bear .10% annual percentage yield at a balance of \$50,000 or more. Mr. Ortiz said he was also advised by Mr. O'Connell that this account is allowed six checks or debits per month with no fee, and a \$10 per item charge over that amount would apply. Discussion ensued and Marianne Edmonds advised that the HFA wait before switching accounts as the interest earned would be negligible. Ms. Edmonds also advised that Susan Leigh would be presenting a report at this meeting providing guidance to the HFA as to what she sees to be in their best interests for the future, financially and otherwise.

Approval of Minutes:

Motion made by Craig Higgins to accept March meeting minutes; motion seconded by Robert Marshall.
Motion passed unanimously.

Administrators Report:

Roberto Ortiz introduced Darren Smith, Smith & Henzy, and explained Mr. Smith would be providing the HFA with details regarding the San Marcos Heights CDBG-DR funded project.

New Business:

- **San Marco Heights – Darren Smith, Smith & Henzy:** Darren Smith stated the financing on this project was closed last month and he said the project has been in construction for approximately 30 days. Mr. Smith advised they are nearly 70% bought out on the project and hope to be fully bought out by next month, as construction costs are rising rapidly. Mr. Smith went on to say the site has been completely cleared and they are expecting the Department of Transportation permit next week, allowing them to begin the entrance work on SR 207. Mr. Smith said they are scheduled to start importing fill dirt next week, and surveyors will be on site at that time for the grading. Mr. Smith said that at this time, they are on schedule to finish the entire project by August, 2022. Mr. Cone asked about increases on construction materials and Mr. Smith said since the 4th quarter of 2020, lumber prices have increased approximately 35% and PVC costs have gone up approximately 20% . Mr. Cone asked how many units the development will include, and Mr. Smith advised there will be 132 units, all at 60% of area median income, and he said that potential tenants will be income qualified by SPM, property management company. Michael O'Donnell asked when the anticipated groundbreaking ceremony would occur and Mr. Smith said he expects it should take place in June of this year, and said he will make sure County staff are made aware of the exact date so that it can be shared with members of the HFA and other interested parties.
- **TEFRA Hearing – Victoria Crossing:** Chauncey Lever, bond counsel with the firm of Foley and Lardner, explained one of the requirements of tax exempt financing is a properly noticed public hearing held in advance of an approval by an applicable elected representative of the County, in this case the St. Johns County Board of County Commissioners. Mr. Lever explained the HFA is satisfying that requirement by holding a TEFRA hearing on this day, seven days after the published notice in accordance with Treasury regulations. Mr. Lever had on hand the signed affidavit and proof of publication notice of this hearing including proposed bond issuance and details of the project titled "Victoria Crossing Apartments", with the address listed as 1850 State Road 207, St. Augustine, Florida 32086. Mr. Lever said once the bond issuance is approved by the Board of County Commissioners, an allocation can be obtained from the State for the private activity bond limitation allocation. Mr. Lever said the item will go back before the Board of County Commissioners for subsequent approval once there is a final transaction. Mr. Lever read the resolution into the record and when finished, Chair Michael O'Donnell opened the public hearing and asked for any public comment, in person or via Zoom, as it related to the resolution. There was no public comment. **Motion** made by Linda DeGrande to approve the resolution; motion seconded by Erick Saks. **Motion passed unanimously.**

- **Presentation by Susan Leigh, Consultant:** Ms. Leigh provided copies of her presentation titled "HFA of St. Johns County Reboot" (copy available in meeting folder). Ms. Leigh detailed her extensive background in the housing field for those not familiar with her or her work and she explained that she serves as financial advisor to three Florida HFA's and also works with the Florida Association of Local HFA's. Ms. Leigh stated she reviewed much of the HFA's past history through documentation, such as ordinances, resolutions, and HFA by-laws. Ms. Leigh commended the HFA for retaining financial advisor Marianne Edmonds, as she said it is an essential first step toward taking advantage of the market opportunity to utilize bond allocation to provide affordable housing and earn fees for funding future HFA efforts. Ms. Leigh then reviewed four goals designed to focus the efforts of the HFA. The first goal she set was self-sufficiency or the ability to survive without money. Ms. Leigh explained the HFA must build a base by ensuring monthly meetings provide an opportunity to learn, as she stressed the importance of growth and the expansion of knowledge for HFA members. Ms. Leigh explained her second goal for this HFA would be creating an understanding of the tools available to the HFA and setting goals and priorities. The third goal, Ms. Leigh stated, would be an extension of the second goal and would include an understanding of programmatic economics by HFA members. Ms. Leigh said there should be an understanding of how federal and state programs work, and knowledge beyond the basic understanding of the HFA's single tool of tax-exempt bonds. The fourth and final goal Ms. Leigh shared was for the HFA to use resources wisely by learning to grow funds by leveraging them, which would allow the HFA to do more with less. Ms. Leigh also stressed the importance of a good working relationship with the County and its commissioners, and becoming a trusted partner and go-to entity that is capable of carrying out programs quickly and effectively.

Ms. Leigh was asked if the Florida Association of Local HFAs (FL ALHFA) would be holding their annual conference this year and Ms. Leigh said it would be conducted virtually. Ms. Leigh also said that last year's virtual workshops are available online and are great learning tools. Michael O'Donnell asked what else the HFA might do to begin to become more educated and Marianne Edmonds offered to spend 30 minutes or so discussing single and multi-family bonds at the next several monthly HFA meetings. Ms. Edmonds and Ms. Leigh also suggested a review of all resolutions passed by the Board of County Commissioners relating to the HFA. Discussion ensued and it was determined Ms. Edmonds will begin training the HFA on bonds in 30 minute sessions, with the first session to occur at their May 27th meeting, and continuing at each subsequent meeting, as necessary. Ms. Edmonds and Ms. Leigh said they will help HFA members to create training binders with necessary information for themselves and for new members.

Old Business:

- **Own a Home Opportunity Program Update:** Tim Wranovix, Raymond James, was able to join the meeting via Zoom. Mr. Wranovix said there have not been a great many loans recently and said this is due to inventory levels and skyrocketing sales prices. Mr. Wranovix said the average loan size and purchase price in 2017 was \$208,000, and is currently at \$282,000, which is making it difficult for many new homeowners to purchase at this time. Mr. Wranovix said they are hoping to hold some remote "lunch and learn" sessions for realtors soon and he will report back to the HFA when those are scheduled. Mr. Wranovix reported one new loan through Synovus Bank.

Meeting was adjourned at 4:31 p.m.

Next Meeting: The next meeting of the HFA will be held on May 27, 2021, in the Kingfisher conference room, in the Health & Human Services Center, at 200 San Sebastian View, St. Augustine.

Respectfully submitted,

Secretary