

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

**February 24, 2022  
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  
Robert Marshall  
Michael O'Donnell  
Malinda Peeples  
Erick Saks

**Members Absent:**

None (currently one vacancy)

**Guests Present:**

Rich Komando, Esq., Bradley, Garrison & Komando  
Chauncey Lever, Esq., Foley & Lardner  
Emily McGee, Esq., Foley & Lardner  
Henry O'Connell, CPA, W.H. O'Connell & Associates  
Terrill Hill, Esq.  
Bradley Bulthuis, Senior Assistant County Attorney  
Carolina Morrow, Habitat for Humanity  
Joseph Cone, Assistant Director, Health & Human Services  
Roberto Ortiz, Housing & Community Development Manager  
Julie Voorhees, Housing & Community Development Support Staff  
Mary Garcia, Social Services Dept. 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.

**Public Comment:** None.

**Additions/Deletions to Agenda and Approval of Agenda:**

**Motion** made by Roberto Marshall to accept the agenda as presented; motion seconded by Erick Saks.  
**Motion passed unanimously.**

**Financial Report/Review of Bills and Correspondence:**

- **December, 2021 & January, 2022:** Financial statements through January, 2022, were provided to all HFA members. Mr. O'Connell stated a check payable to Bradley, Garrison and Komando for legal counsel, in the amount of \$1,500.00, was presented for signature on this date. Mr. O'Connell also stated a check payable to W.H. O'Connell and Associates for CPA services, in the amount of \$325.35 was presented for signature on this date. Mr. O'Connell advised the financial audit should be complete in approximately one month and he said it will require Chair Michael O'Donnell's signature when complete. Mr. O'Connell went on to say the \$7,187 in receivables represents the annual interest forgiven on the Halo Properties loan in September, 2021. A discussion ensued regarding interest rates, and investments the HFA might make with money earned from the sale of property and issuance of tax exempt bonds. No decisions were made in this regard. There was also

discussion regarding the HFA's desire to hire an executive director as this individual would be equipped to research programs and projects the Authority might administer. Mr. Cone stated this item will be added to the March meeting agenda.

### **Approval of Minutes:**

**Motion** made by Linda DeGrande to accept December, 2021, meeting minutes (no January meeting); motion seconded by Robert Marshall. **Motion passed unanimously.**

**Administrators Report:** Roberto Ortiz advised the property management company for San Marcos Heights has prepared an application packet which will be made available online and they plan to start leasing units in the first completed building in April. Mr. Ortiz went on to say the Victoria Crossing affordable rental project is nearly 50% complete and he said leasing should begin in February, 2023, barring any unforeseen circumstances. Mr. Ortiz stated a toll-free number will be advertised within approximately 30 days, so that interested parties may call and be put on a waiting list, if qualified. Mr. Ortiz then shared a short YouTube video which showed aerial footage of the progress on the Victoria Crossing project.

### **New Business:**

- **Resolution Approving Bond Structure – Oaks at St. John:** Chauncey Lever, bond counsel to the HFA, explained the approval of this resolution is an interim step necessary to approve basic structure and preserve the bond allocation. Mr. Lever read the title into the record. **Motion** made by Linda DeGrande to approve Resolution 2022-1 as read; motion seconded by Andrew Evener. **Motion passed unanimously.**
- **SHIP Lien – 4950 Murry Street, Elkton:** Mr. Cone introduced the item and explained it falls to the HFA to make decisions with regard to forgiveness of SHIP liens. Mr. Cone stated that due to the reduction of SHIP funds over the last several years, St. Johns County has concentrated on performing rehabilitation with its allocation. Mr. Cone stated this particular request regarding the SHIP lien on 4950 Murry Street is coming before the HFA for the second time. Mr. Cone stated that in October, 2019, the HFA voted not to grant forgiveness of the lien as was requested by the decedent's family. Mr. Cone went on to say that since that time, the decedent's family has been in touch with the Housing Department and with the County Attorney's office in an effort to negotiate a reduced pay-off of the lien since no family members were able to qualify to assume the lien based on income. Correspondence between the family and the County was provided to Authority members, as were the HFA meeting minutes dated October, 2019. Senior Assistant County Attorney, Brad Bulthuis, stated the initial \$30,000 lien was taken out in 2012 by Beatrice Threet. Mr. Bulthuis explained the lien is forgiven at the rate of 5% each year, over a 20 year period, but upon transfer of the property, which includes inheritance, the rate is accelerated and becomes due. Mr. Bulthuis stated Ms. Threet passed away in 2015 but the County was not advised of her passing until 2019, when the family contacted the Housing Department and requested the remaining amount of the lien be forgiven. Mr. Bulthuis went on to say the matter came before the HFA in October, 2019, and foreclosure proceedings were started when they denied this lien forgiveness request. Mr. Bulthuis said the County Attorney's office was then contacted by attorney Terrill Hill who is representing the estate and some of the heirs, and through Mr. Hill the County offered a \$15,375.00 pay off, with a payment plan, all contingent upon HFA approval. Mr. Bulthuis stated Mr. Hill countered with an offer of \$10,187.50, also with an approved 36 month payment plan, but this was not deemed acceptable by the County. Mr. Bulthuis explained Mr. Hill subsequently requested an audience with the HFA. Mr. Hill stated one of the heirs, Mr. Fields, would like to assume the SHIP lien and remain in the home but unfortunately his income is \$7,000 above the income cap for this lien, making it unassignable to him. Mr. Hill reiterated his client's offer of \$10,187.50, paid over 36 months, and he stated mitigating factors such as the poor condition of the home. Mr. Hill distributed photos showing purported mold issues and a roof in disrepair. Mr. Hill also stated this property has not been probated, so there has been no official transfer as yet, though he did indicate the other heirs are amenable to transferring the property to Mr. Fields. Mr. Bulthuis did make note that no County staff have evaluated the property and he did point out there have been several hurricanes since the rehabilitation work was done that may well have contributed to the condition of the home. Mr. Komando made note that the actual pay off of the SHIP lien at the time of Beatrice Threet's death would have been approximately \$25,000. Discussion ensued. Malinda

Peebles said she is familiar with the property and she commented the home needs quite a bit of repair. Rich Komando made the point that while the home may need work, neighboring properties have been selling for between \$100,000 and \$125,000. Mr. Marshall asked if Mr. Fields is staying in the home currently and Mr. Hill stated he “goes between that property and another but he is there to work on the home every day”. More discussion ensued and different payment options were suggested. Mr. Cone expressed some concern that though it could be done, the Housing Department is not set up to accept and monitor payments. Mr. Saks inquired as to whether or not income limits had changed, which might mean Mr. Fields would now qualify to assume the lien. Mr. Hill stated the income qualification was performed within the last six months but that this could certainly be explored further. Modification of the LHAP was discussed but Mr. Cone noted the entire program would need to be changed to accommodate Mr. Fields income level. Ms. DeGrande asked what County staff recommendation would be and Mr. Cone said that considering Mr. Fields’ income does not fall within the parameters of the program, and that the properties in the immediate vicinity are quite valuable due to the current real estate market, and that the Housing Department is not currently equipped to monitor a payment program, accepting the proposal made by Mr. Hill for his client would be deemed too lenient. Mr. Saks inquired as to where the money for the lien pay off would go and Mr. Cone explained it would go back into the SHIP program for St. Johns County and would be used to help a qualifying individual. Ultimately, the decision was made that Mr. Fields would be re-income qualified to see if he might qualify under current income limits. Mr. Hill suggested the HFA make motion that contingent upon Mr. Fields qualifying under program guidelines he should be allowed to assume the lien, and further, if he should not qualify that they motion to approve a repayment plan at a set amount for Mr. Fields. The HFA declined to proceed with any approval and tabled the matter for a later date when more information is available.

- **2022 Florida ALHFA Conference – July 6-9 in Sarasota:** Mr. Komando encouraged Authority members to attend and said it is a great opportunity to network with other HFAs and to learn about programs they are currently administering. Ms. DeGrande stated one person cannot attend all the sessions that are offered and said she hoped at least two Authority members would consider attending. Mr. Saks said he is planning to attend. Ms. Garcia stated the special room block rate is not yet available but said she would send the room reservation information out just as soon as it is received from Florida ALHFA.
- **Recommendations – New Members – Two Vacancies:** Mary Garcia stated recommendations were required for two vacancies and she stated one was the result of Craig Higgins resignation and the other due to Linda DeGrande’s term expiration. Ms. Garcia said all candidate applications were sent to HFA members for consideration prior to the meeting. **Motion** made by Andrew Evener to nominate Linda DeGrande to serve another term; no other nominations were made. Motion seconded by Erick Saks. **Motion passed unanimously.** **Motion** made by Andrew Evener to nominate Carolina Morrow to serve on the HFA; no other nominations were made. Motion seconded by Erick Saks. **Motion passed unanimously.** Ms. Garcia reminded the Authority that their recommendations must be approved by the Board of County Commissioners and she advised Chair O’Donnell that she would draft a letter reflecting these recommendations for his signature. Mr. Evener asked if a new liaison to Health & Human Services boards and committees has been named and Mr. Cone stated there has been no appointment yet though Commissioner Arnold has reportedly expressed interest.

### **Old Business:**

- **Halo Properties Loan – Proposed Resolution:** Mr. Komando stated he received a proposed resolution from Matt Mercer, Halo Properties attorney. Mr. Komando, Mr. O’Connell, and County staff expressed concerns regarding resolution as presented and suggested Mr. Komando be given time to review the document and provide proposed changes to the HFA at the March meeting. Mr. O’Connell also suggested a financial forecast be requested from Mr. Maxwell. This matter was tabled until March meeting.

- **Own a Home Opportunity Program Update:** Julie Voorhees advised there have been no new loans.

**Meeting was adjourned** at 4:27 p.m.

**Next Meeting:** The next meeting of the HFA will be held on March 24, 2022, in the Kingfisher conference room, in the Health & Human Services Center, at 200 San Sebastian View, St. Augustine.

Respectfully submitted,

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Secretary