

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

**June 23, 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 3:02 p.m. by Michael O'Donnell, Chair.

Members Present:

Linda DeGrande
Andrew Evener
Robert Marshall
Carolina Morrow
Michael O'Donnell
Malinda Peeples
Erick Saks

Members Absent:

Guests Present:

Harry Maxwell, Halo Properties
Rich Komando, Esq., Bradley, Garrison & Komando – Via Zoom
Marianne Edmonds – PRAG – Via Zoom
Henry O'Connell, CPA, W.H. O'Connell & Associates
Bradley Bulthuis, Senior Assistant County Attorney for St. Johns County
Joseph Cone, Assistant Director, Health & Human Services
Roberto Ortiz, Housing & Community Development Manager
Mary Garcia, Social Services Support Staff
Julie Voorhees, Housing & Community Development Support Staff

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

Additions/Deletions to Agenda and Approval of Agenda:

Mary Garcia asked that an item be added to "New Business" titled "New Member Nominations" due to the expiration of Malinda Peeples's term in September. Ms. Garcia explained applications were included in members meeting packets. Mr. Cone stated the item titled "Land Use Restriction Release Request" should be removed from "New Business". **Motion** made by Robert Marshall to accept the agenda with these two requested changes; motion seconded by Linda DeGrande. **Motion passed unanimously.**

Public Comment: None.

Financial Report/Review of Bills and Correspondence:

- **May, 2022:** Financial statements through May, 2022, were provided to all HFA members. Henry O'Connell stated a check was presented for Bradley, Garrison, and Komando in the amount of \$1,500 representing Rich Komando's monthly retainer, and a check in the amount of \$78.30 was presented for the services of W.H. O'Connell and Associates, P.A.

Mr. O'Connell was asked at an earlier meeting to check interest rates and he reported the bank is offering .05% on a Money Market account with limited transactions, and .15% on a 12 month CD. Mr. O'Connell noted the .05% would be approximately \$50 per \$100,000 balance and would limit transactions to 6 per month. Mr. O'Connell suggested tabling this discussion and allowing interest rates to settle. After some discussion, the HFA agreed to revisit this item in August or September.

Copies of the audit were provided to all members and Mr. O'Connell said there were no management comments or adjustments.

Mr. O'Connell said he received a renewal notice from Auto Owners Insurance, which is the insurer that provides coverage for the CWHIP lots. Mr. O'Connell said he does not believe this policy needs to be renewed and he asked that staff research the lots on the property appraiser's website so that he can request a refund back to the time that the lots were transferred. Julie Voorhees volunteered to research the lots and provide the information to Mr. O'Connell.

Approval of Minutes:

Motion made by Erick Saks to accept May, 2022, meeting minutes; motion seconded by Linda DeGrande.
Motion passed unanimously.

Administrators Report: Roberto Ortiz provided an update on the progress of the two affordable multi-family developments located on SR 207, San Marcos Heights and Victoria Crossing. Mr. Ortiz reported construction at Victoria Crossing is running on schedule and a pre-leasing phone number has been set up for any questions regarding the leasing process. Mr. Ortiz stated San Marcos Heights will be moving residents in to the first finished building during the month of July and the next building is expected to be complete and ready for occupancy by early August, 2022. Mr. Ortiz reported a walk-through of the San Marcos property is being planned for members of both the HFA and the Affordable Housing Advisory Committee (AHAC) and he said staff would be in touch with a date and a time for that visit. Mr. Ortiz went on to point out that each HFA member was given a binder at this meeting and asked Ms. Garcia to explain the purpose. Ms. Garcia stated that all agendas, minutes, and ongoing items would be tabbed and inserted into these binders and brought out for each meeting for easy access and referral. Ms. Garcia stated these binders will be a great help to new board members, also.

There was also discussion regarding what future trainings Ms. Edmonds might provide. Ms. Edmonds stated Ms. Garcia had requested a session on housing authority functions that might be funneled through the HFA. It was decided that member requests for certain trainings would be sent to Ms. Edmonds by staff after the Florida ALHFA.

Old Business:

- **Threet SHIP Lien – Bradley Bulthuis:** Mr. Bulthuis referred members back to their February 24th meeting and the minutes of that meeting, during which this matter was discussed and ultimately tabled. Mr. Bulthuis stated the matter was tabled so that Mr. Fields, heir of Beatrice Threet, deceased lien holder, could be income qualified again. Mr. Bulthuis reminded the HFA that Mr. Fields would like to assume this loan but he was income qualified again and still did not meet SHIP requirements. Mr. Bulthuis stated Mr. Fields and his attorney are requesting a payment amount of \$10,187.50, made in 36 monthly payments. Mr. O'Donnell asked what the total amount of the lien was and Mr. Bulthuis explained it was a \$30,000 lien when Ms. Threet took it out in 2012 and when she passed away in 2015, \$25,000 was left to pay off. Mr. Bulthuis explained the County was not notified of Ms. Threet's passing until 2019 and \$25,000 was due at that time. In an effort to work with the heirs of the estate, the County offered a reduced pay off amount of \$15,375 but the family was not amendable to that figure and Attorney Hill countered with an offer of approximately \$10,000. Mr. Bulthuis went on to say that though the County has not yet had a chance to inspect it, the family has indicated the condition of the house is poor, and Mr. Fields would like to do rehab work on it. Mr. O'Donnell asked if Mr. Fields intends to live in the house and Mr. Bulthuis said he would have to make it his primary residence while paying off this lien but there are no restrictions once the lien is satisfied. There was some discussion and concern that the house might be sold in three years upon lien satisfaction and Michael O'Donnell asked if payment in full, through monthly installments, could be required over a period of 20 or 25 years. Mr. Bulthuis explained the initial term of the lien was 20 years so had Ms. Threet lived, it would have been satisfied in 2032. Mr. Bulthuis also explained that if Mr. Fields income qualified, he could assume the lien, pay nothing, and the lien would be satisfied in 2032. Mr. Komando advised the HFA to motion to either accept the offer, reject the offer, or specifically counter offer. Mr. Saks asked what it would mean to reject the offer and Mr. Bulthuis stated the County would proceed with foreclosure proceedings on the property. Malinda Peebles asked how much money the County would have to invest in the home in order to make it habitable, if foreclosure moved forward. Mr. Bulthuis stated the County has not yet been able to inspect the home so he could not say. Discussion ensued. Mr. Cone reminded members that the decision to make the HFA arbiters on SHIP lien matters predated him and he stated that these monies do not come back to the HFA but rather go back into the County's SHIP program, and new liens do not include the HFA in such decision making processes. Malinda Peebles encouraged the HFA to find a way to allow the home to remain in the family, preferably by accepting the payments as proposed. Ms. Peebles also

expressed concern regarding the impression a foreclosure on a property with a SHIP lien might present to the community. Mr. Cone explained that often times family members are not aware that a SHIP lien has been taken out on a property and they ultimately discover this when their relative goes into care or passes away as happened in this case. Ms. Morrow suggested the family might look into a home equity loan which would allow them to pay off the SHIP lien in its entirety. Discussion ensued. There was some discussion that keeping the payment period short, as proposed, would be best for all involved, especially since monthly payments will need to be tracked. **Motion** made by Malinda Peeples to accept the offer of \$10,187.50, paid over 36 months, by Mr. Fields, heir to Beatrice Threet, in order to satisfy the SHIP lien on 4950 Murry Street, motion seconded by Erick Saks. **Motion passed unanimously.** Mr. Bulthuis said the Office of the County Attorney will draw up an agreement to be signed by Mr. Fields and no further approval will be required by the HFA.

- **Halo Properties Resolution – Update:** Rich Komando stated he received a second proposed resolution from attorney Mercer that would extend the term of the loan by 19 years and would limit the amount of interest the HFA could collect to 1%. Mr. Komando said he responded to Mr. Mercer that he could not advise the HFA to adopt such a resolution. Mr. Komando said he would advise the HFA to maintain the terms of the loan as far as what must be paid, leave the language that allows Mr. Maxwell to increase rents to what is allowable under Florida Housing, and extend the loan only by the number of months that Mr. Maxwell has not made payment. Mr. Maxwell once again reiterated his reluctance to raise rents to what is allowable under Florida Housing standards, with the exception of two 3-bedroom units, which were vacant due to eviction. Discussion ensued. Mr. Maxwell asked that Mr. Komando contact him directly in order to come to an agreement regarding the terms of this loan.
- **Own a Home Opportunity Program Update:** Julie Voorhees advised there were no new loans.

New Business:

- **July Meeting:** Mary Garcia stated that the July meeting is typically cancelled when members attend the Florida ALHFA conference. Discussion ensued. **Motion** made by Linda DeGrande to cancel the July meeting; motion seconded by Carolina Morrow. **Motion passed unanimously.**
- **New Member Nominations:** Mary Garcia stated applications for Ms. Peeples's seat were included in meeting packets and Ms. Peeples's application was included as she would like to be considered to serve again. **Motion** made by Erick Saks to recommend Malinda Peeples to the Board of County Commissioners to serve another term on the HFA; there were no other nominations; motion seconded by Linda DeGrande. **Motion passed unanimously.**

Meeting was adjourned at 4:42 p.m.

Next Meeting: The next meeting of the HFA will be held on September 25, 2022, in the Kingfisher conference room, in the Health & Human Services Center, at 200 San Sebastian View, St. Augustine.

Respectfully submitted,

Secretary