

AGENDA

Palm Beach County Housing Finance Authority

FRIDAY, JULY 21, 2017

9:00 A.M.

**Palm Beach County Airport Center
Complex**

100 Australian Avenue

4TH Floor (#4-790) Training Room

West Palm Beach, FL 33406

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Agenda – July 21, 2017 regular meeting

Executive Director - Report on agenda items

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**Housing Finance Authority
of Palm Beach County**

100 Australian Avenue, Suite 410
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Chairperson

Charles V. St. Lawrence

Vice Chair

Clark D. Bennett

Secretary

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Patrick J. Franklin

James H. Harper, Sr.

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Meeting Agenda

July 21, 2017

PBC Airport Center - Human Resources Training Room 4-790

I. Call to Order

- a. Roll call and establishment of quorum

II. Public comment on Agenda Items

III. Agenda Approval

- a. Additions, deletions, substitutions
- b. Adoption

IV. Consent Agenda

- a. Minutes of the June 9, 2017 meeting
- b. GF Requisition #6-2017
- c. MF project occupancy report for May
- d. Own a Home Opportunity Program – June loan origination report
- e. Third quarter general fund report
- f. Resolution #R-2017-04 - updates to Internal Policy & Procedures

V. Old Business

- a. Royal Palm Place Apartments – approval of Resolution #R-2017-05 for the issuance of not-to-exceed \$16M Multifamily Rental Housing Revenue Note, Series 2017

VI. New Business

- a. Appointment of authorized representatives
- b. Consider proposed fiscal year 2017/2018 budget
- c. Discussion of general counsel memo on multifamily bond and revolving loan polices

VII. Other matters

- a. Matters of Authority members
- b. Matters of the Executive Director and Professionals
- c. Matters of the Public
- d. Next meeting date: 9:00 a.m., August 11, 2017 at the PBC Airport Center, Human Resources Training Rm. 4-790
100 Australian Avenue, West Palm Beach

VIII. Adjournment



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To: Housing Finance Authority

From: Executive Director

RE: July 21, 2017 regular meeting

Dated: July 7, 2017

V. "Old Business" items:

Item (a.) Royal Palm Place Apartments – approval of Resolution No. R-2017-05 for the issuance of \$16M Multifamily Rental Housing Note, Series 2017

Background: The Authority first considered an application prepared by Landmark Development, as the co-development partner with the West Palm Beach Housing Authority ("WPBHA"), in October 2014 for the issuance of up to \$15M of bonds to finance a portion of the cost of the new construction of 125 rental housing units in two and four story buildings to replace 88 units of then existing Dunbar Village public housing. This is the third and final phase of the total demolition and replacement of Dunbar Village which includes the 9% housing tax credit financed Silver Palm Place (120-family units) expected to be completed in August, and the Authority bond financed Paul Laurence Dunbar (99 units-seniors) which is expected to be completed by early July. The Authority at that time approved a bond inducement resolution with the developer/purchaser ("Developer"), Royal Palm Place, Ltd., the general partners of which are entities of the WPBHA, as managing general partner, and of Landmark. The Developer provided updated applications for the project that were presented at the May 2016 and March 2017 meetings that reflected changes to the project financing

as well as an increase in bond issuance amount to reflect increased development costs.

At the March 2017 the Authority approved among other updates to the application the Developer’s request for an increase in financing to \$17M. The amount of the draw-down Note to be funded by Citibank, as the initial purchaser and loan servicer, is expected to be paid down to approximately \$11M at the end of construction/occupancy and income stabilization before delivery to Freddie Mac as the permanent holder of the Note. The interest rate on the Note will be established just prior to closing based on the SIFMA Municipal Swap Index (.86% on July 5) plus 2.50% during construction (expected 24 months). The Note is interest-only during the construction period and when converted to a permanent loan will then amortize over 35 years with a final balloon maturity in 2034. The permanent loan rate will be a pre-determined spread (2.32%-2.48%) over the 10-year Treasury bond (2.33% on July 5) plus Citibank’s servicing fee of 17 basis points.

Correction to application: I noticed in a recent review of the original application and several updates that one of them included an organization chart of the Developer a footnote identifying officers and directors of the WPBHA and Royal Palm Place at Coleman Park, Inc. as Laurel Robinson and Charles St. Lawrence. Both Mrs. Robinson and the WPBHA general counsel Charlotte Burnett advised that this was a schedule prepared by Landmark and that Mr. St. Lawrence has not been a member of either the WPBHA or any entity since his board term ended in 2013 and prior to his current term as a board member of the Authority. They have provided a corrected chart listing WPBHA board member Mr. Richard Ryles in this capacity.

Credit Underwriting Report: The complete credit underwriting report (“CUR”) from First Housing Development Corporation of Florida (“First Housing”) dated July 5th has been posted to the Authority’s website as part of the July 21st meeting agenda. Included in the e-mailed board agenda materials is the “Executive Summary” as well as the “Report Summary” recommending the issuance of the full \$16M Note amount for construction and \$11M for a permanent loan amount. The recommendation is without condition.

The source and use of funds in the CUR are less than \$100K different from those presented in the Developer’s update at the March 2017 Authority meeting the net result of which lowered the total “Developer fee”. The CUR sources and uses are as follows:

Uses of funds:		Sources of funds:	
Ground lease payment to WPBHA	\$ 350,000	Tax credits	\$12,722,000
Construction costs & contingency	22,002,750	Bond size at stabilization	11,000,000
Financing costs	1,409,038	FHFC SAIL loan	4,750,000
Soft costs & other costs	2,713,139	FHFC ELI loan	495,900
Operation Deficit Reserve	335,387	City of WPB loan	300,000
Developer fee	<u>3,680,155</u>	PBC loan	115,000
		Deferred developer fee	<u>1,107,569</u>
Total Uses	\$30,490,469	Total Sources:	\$30,490,469

The CUR underwriting permanent Note rate assumption is 5.08% based on the 10-year Treasury

on April 18 of 2.18%, the highest Freddie spread of 2.48%, the 17 basis point servicing fee and another 25 basis points for market movement, which results in a 1.21x estimated first lien Note debt service coverage ratio. The Citibank minimum debt service coverage ratio at stabilization/conversion is 1.15x. The appraisal done as part of the CUR process determined a ground-leasehold, rent restricted stabilized value with property tax exemption of \$13.27M; the market value without the tax exempt financing/low income housing tax credits and property tax exemption was \$11.32M. The "break-even" ratio (debt service + operating expense/gross revenue) is 89.17%; ratios at or below 85% are considered very good and this property will have a HAP contract on all units to further assure the revenue stream.

Authorizing resolution and Note documents: Included in the e-mailed agenda materials is Resolution No. R-2017-05 without exhibits (all exhibits have been posted to the Authority's website) prepared by Bryant Miller Oliver as bond counsel authorizing the issuance of the Note, sets forth among others findings of the need to issue the Note and for a negotiated sale thereof within certain not-to-exceed maturity date and interest rate parameters, authorizes Authority officers to execute the documents for the issuance of the Note, accepts the CUR, and appoints US Bank as Fiscal Agent for the Note. The resolution also approves the forms of Funding Loan Agreement with between the Authority and Citibank; the Project Loan Agreement between the Authority and the Developer; the Land Use Restriction Agreement between the Authority and the Developer; the First Leasehold Mortgage on the project and assignment thereof to US Bank to secure the Note; and the Fee Guaranty and Environmental Indemnity Agreement with the Developer, the general partner of the Developer, the WPBHA and its project specific entities as well as Baobab Development, Inc., Francisco Rojo and Robert Saland, individually, and Landmark Development Corp. As with the Paul Lawrence Dunbar Senior bond issue Messrs. Rojo, Saland and Landmark will leave as partial owners when the project is completed therefor pursuant to the terms of this agreement their respective obligations will terminate upon satisfactory evidence of lien free project completion.

Staff recommends a motion: to approve Resolution No. R-2017-05 authorizing the issuance of not to exceed \$16,000,000 Multifamily Housing Rental Note (Royal Palm Place), Series 2017.

VI. "New Business" items:

Item (a.) Appointment of authorized representatives

The Authority has three agreements in connection with its general funds. One is a custodian agreement with US Bank for temporary investments, disbursements of requisitions, and wire transfers through the custody and custody escrow accounts. Another is with the State Board of Administration ("SBA") for participation in the Local Government Surplus Funds Trust Fund for wires to and from our LGIP Florida Prime account. The last is an interlocal agreement with Clerk

of Circuit Court of PBC for participation in their investment pool for wiring funds to and from the pool. The policy of the Authority is to only disburse funds through US Bank as custodian so wires to and from the SBA and Clerk's pool are done only through the Authority's custody account. The custody account agreement requires the Authority to appoint authorized representatives for disbursement of requisitions, wire transfers and the direction of investments (the latter consists of three money market funds backed by US governments securities). The SBA also requires two or more authorized representatives for a wire. The Clerk's interlocal only requires one representative which is the executive director. With the recent change in officers I would recommend the board also substitute the new chair and vice chair as authorized representatives for both the US Bank and the SBA.

Staff expects to recommend a motion: to appoint the executive director, Patrick Franklin and Gary Eliopoulos as authorized representatives for the Authority's custody and custody escrow accounts with US Bank, and for the Authority's LGIP account with the State Board of Administration.

Item (b.) Consider proposed fiscal year 2017/2018 general fund budget and fund allocations

Included in the agenda materials is a schedule showing a comparison of the FY 2016/2017 initial year's budget, a current projection of full year operations through September 30, 2017, and a preliminary proposed FY 2017/18 operating budget. In accordance with Ch. 189 F.S. the proposed operating budget is to be posted to the Authority's website at least 2 days prior to board consideration. The attached preliminary budget, with any changes resulting from the presentation at the July 21 meeting, will be included in a budget resolution to be posted to the Authority website at least seven days prior to the Authority meeting when the final budget is to be approved which I'm targeting for August 15 but in any event no later than September 30.

Operating Revenues: The first two line items are the annual on-going fees paid on outstanding multi-family bond issues (currently 15 basis points on initial issuance amount), and the one-time upfront application, inducement, TEFRA hearing and 20 basis point bond closing fee, as well as any one-time prepayment of remaining on-going annual fees following a bond redemption. In keeping with past practice I have not budgeted anticipated fees for any multifamily bond transaction in the financing pipeline which is only one (Heron Estates Senior) at this time. The third line item is fees derived from first mortgage loans originated under the "Own a Home Opportunity" single family first mortgage loan program with the Lee HFA.

Operating Expenditures: The first line item includes the Authority reimbursed costs of the office as set forth Palm Beach County ("PBC") general fund capital and operation appropriations budget (attached). Accounting and audit professional fees are in accordance with engagement letters and based partially on the number of bond issues outstanding. The line item for "Legal" is for

general counsel or bond counsel matters not paid by a third party developer/applicant for multifamily bond financing or a revolving construction loan.

Non-operating Revenue: This item consists of interest from short-term investment of surplus funds (PBC Clerk's Investment Pool, Florida State Board of Administration investment pool, and US Bank custodial money market funds), and interest on loans under the Revolving Loan Fund. A now somewhat conservative interest rate assumption of 1% was used for both the Investment Pool and Revolving Loan Fund. The second interest income category is income from Ginnie Mae and Fannie Mae mortgage backed securities ("MBS") from prior single family bond issues which are rapidly paying down.

Change in Net Position: Last fiscal year the Authority reverted back to an accounting policy of expensing DPA second mortgages when originated and treating repayments as revenue when received. For budget purposes only "DPA second mortgage funding" is shown as repayment cannot be predicted which results in a projected decrease in Net Position. In addition to short term investments and loans receivable a portion of the Authority's Net Position is in longer term "Single Family MBS Investments" which were acquired as the result of the redemption of single family bond issues and are anticipated to be around \$1M in principal balance by the end of the current fiscal year.

Fund allocations: The Authority created or expanded upon three distinct funds in May 2014: the "Revolving Loan Fund" for making short-term construction/rehab type loans with funding increased to \$6.25M during the current fiscal year; "DPA Second Mortgage Fund" to provide second mortgages in connection with the Lee HFA or any other single family mortgage program which the board increased the allocation to \$2.8M during the current fiscal year; and the "Single Family Loan Purchase Fund" for the purpose of acquiring single family mortgage loans or mortgage backed securities originated under a single family mortgage program the allocation of which was \$1.4M in the current fiscal year. Since we currently do not have plans for the purchase of single family loans this allocation serves as the general reserve fund.

Recommended fund allocations: Prior to the adoption of last years' budget I prepared and reviewed with the board a ten-year projection demonstrated that with the exception of FY 2016 the Authority's then current Net Position was sufficient to generate total revenues in excess of total expenditures before funding of DPA second mortgages.

1. Revolving Loan Fund to remain at \$6.25M;
2. Down Payment Assistance Second Mortgage Fund to remain at \$2.8M;
3. Single Family Loan Purchase Fund reservation increased by \$250K to \$1.65M.

Staff recommends a motion to approve the proposed budget numbers and recommended fund allocations, and the posting of a proposed FY 2017/2018 general fund budget resolution in accordance with Ch. 189.016 F.S. for a final vote thereon at the next Authority meeting.

Item (c.) Discuss of general counsel memorandum on multifamily bond and revolving loan policies

During the discussion following the status update by the developer of the proposed “Heron Estates Senior” apartments there were questions asked as to whether and to what extent the Authority could implement a small/local business preference in connection with these types of financings. Included in the agenda back-up is a memo from general counsel in responding to that question as well as the two PBC ordinances relating to small businesses and local preference. There is also a PBC “Policy and Procedural Manual” on the “Small Business Enterprise Program” which was a follow-up in 2011 of the prior M/WBE Program – let me know if you’d like to see a copy of this PPM. The PBC ordinances only apply to goods and services, with certain exceptions, purchased through their purchasing department, or Board of County Commission (“BoCC”) contracted services. In speaking with the contracts area of the PBC Department of Housing and Economic Sustainability these ordinances only apply to housing or economic development projects if PBC ad valorem tax funds are involved; they also advised that federal funds, such as CDBG, prohibit them from using a local preference requirement.

To the best of my knowledge no other HFA has any SBE or local preference requirement for projects funded with their bonds. The Miami-Dade HFA “...encourages developers to utilize to the extent practical the services of firms controlled by women, blacks, Hispanics, or other minority groups for the construction and/or rehabilitation of the development funded with proceeds of a multifamily bond...” but I do not see anything in their application or procedures where they request or require any information from the developer. If the Authority wishes to go one step beyond this it could include in our application a requirement for the developer to indicate whether they would promote SBA/local preference, to what extent, how they would go about the process, and if they would provide a report(s) to the Authority on this effort. Our guidelines for multifamily bond issuance and revolving loans allow for changes to application itself without having to go back to the BoCC for approval. However, I believe any mandatory requirements would require amendment to these guidelines which would trigger such approval.

Tab 1

IV. Consent Items - attachments

- a. Minutes of June 9 board meeting
- b. General Fund Requisitions #6-2017
- c. MF project occupancy report for May
- d. Own a Home Opportunity program status for June
- e. Third quarter general fund report
- f. Resolution #R-2017-04 - Updates to Internal Policy & Procedures



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**HOUSING FINANCE AUTHORITY
OF PALM BEACH COUNTY
MINUTES OF REGULAR MEETING**

Meeting Date & Time:

9:00 A.M., Friday, June 9, 2017

Location:

PBC Airport Center
100 Australian Ave.
4th Floor, Suite 4-790
West Palm Beach

Attendance Sign-in Sheet/others:

John W. Hurt - Riviera Beach HA
Jason Larson - Housing Trust Group

Staff and professionals:

David Brandt, Executive Director
Jennifer Hamilton, administrative assistant
Skip Miller, Esq. - general counsel - Greenspoon Marder
Amanda Kumar – trustee and custodian - US Bank
Helen Feinberg - RBC Capital Markets
Jim Hutchison – auditors – Caler, Donten, Levine
Fred Weinstein - accountants – Goldstein, Zugman, Weinstein

I. Call to Order

a. Roll call and establishment of quorum

The meeting was called to order by Chair St. Lawrence at 9:00 a.m. The six (6) members present at roll call constituted a quorum:

Chuck St. Lawrence, Chair – present
Clark Bennett, Vice Chair - present
Robin Henderson, Secretary – present
Gary Eliopoulos - present
Patrick Franklin – present
James Harper, Sr. – absent during roll call
Tony Smith – present

II. Public comment on Agenda Items

There was no comment from the public on the agenda items.

III. Agenda Approval

Mr. Bennett moved approval of the agenda. The motion was seconded by Mr. Patrick and unanimously approved by vote of 6-0.

IV. Consent Agenda

Mr. Franklin moved approval of the Consent Agenda. The motion was seconded by Mr. Eliopoulos and unanimously approved by a vote of 4-0.

V. Old Business

Item (a.) Heron Estates Senior Apartments – update and authorization for another TEFRA hearing

The Executive Director (“ED”) advised the developer of this project is a joint venture between the Housing Trust Group (“HTG”) and the Riviera Beach Housing Authority (“HA”). The application for financing had previously come before the Authority a number of years ago in connection with the developer’s pursuit of competitive SAIL funding from the Florida Housing Finance Corporation (“FHFC”). and initially they did not get an award but ultimately have prevailed.

(Note: Mr. Harper arrived at this point in the meeting).

Jason Larson of HTG and John Hurt, executive director of the HA, gave a power point presentation and status report on Heron Estates Senior apartments project. Mr. Larson stated that HTG and the HA are development partners for this community and as mentioned they were successful in getting a SAIL award. This transaction is Phase One on a portion of the site consisting of a 101-unit senior rental housing community. He stated that the construction plans are now complete and the city Planning & Zoning Board approved the site plan which now goes to the City Council for a final approval. He described the unit layouts and amenities including a community room, exercise room and swimming pool. Projected rents are about \$709 on a one-bedroom and \$859 for a two-bedroom unit, and will have a 62+ age restriction for at least one member of the household. They will have controlled access to the building with 24/7 video monitoring, a full time property manager or maintenance person, and green building features such as high efficiency HVAC and window. He stated that HTG and the HA have commitments for local hiring and a Section 3 plan.

Mr. Franklin asked for some additional detail regarding site security to which Mr. Larson said there will be two vehicular entrances with resident-only card entry gates one of which will include a guard house that will be manned once the second phase of the project is completed. Access to the seniors building and the pool area will all be controlled via card access to the building, and they’ll be video monitoring around the parking lot area and the building entrances.

The Chair asked about the number of elevators to which Mr. Larson stated that the building is three stories with two elevators. He advised that timing wise the last

major item is the project plan and cost review that cannot be completed until a construction contract has been finalized which they hope to have in time for a credit underwriting report submission for the July 28th FHFC board meeting. He added that the project will have fifty Section 8 project based vouchers on the one bedroom units and the HA is putting in a \$1M soft loan.

Mr. Harper asked Mr. Larson to elaborate on his comments about their effort to include local labor and contractors. Mr. Larson said they have a local consultant helping with the RFQ process for contractors but that a general contractor had not yet been selected. He added they are attempting to insure the general contractor will use local subcontractors. Mr. Hurt stated that over the past couple of months they'd held seven contractor outreach community meetings in conjunction with city council members as part of a process to get commitments to hire from the local workforce and use local subcontractors. Mr. Harper asked for the name of the HA consultant to which Mr. Hurt replied their marketing and outreach person is Sophia Nelson of Nelson & Associates. Mr. Harper stated he recalled seeing a news release that several minority developers were a part of this project including Ronald Davis, and asked what his role is. Mr. Hurt said Ron Davis is involved in the development process working for the HA.

Mrs. Henderson asked which firms are being considered for general contractor and how many were local to which they stated there are six firms some local and some from outside the county. Mr. Hurt said that cost is the bottom line but both HTG and the HA have made a commitment for local participation and that will be a big part of the consideration for the selection of the contractor

Mr. Smith asked staff if the Authority has a policy regarding the developer taking the lowest or best bid to which the ED said the Authority is not privy with respect to contraction contracts and that it is solely the developer, with the consent of the purchaser of the bonds and the tax credit equity investor, to select whom they determine to be the best contractor which may not be the lowest bid.

Mr. Bennett stated that all the Authority is providing is the ability to sell tax exempt bonds at a lower rate and we have no other oversight of the development process. Mr. Smith said as a stake holder maybe we should have some say. General counsel Miller ("GC") stated the problem with that is if the Authority inserts itself in that process and tells the developer who to do business with it exposes the Authority to liability if there are problems. Mr. Smith added that he didn't mean to take it to that extent but just to have some input.

Mr. Harper stated he had a lot of experience with general contractors and the often resented being told who to hire and asked the developer how they are going to handle the commitment to local participation. Mr. Larson said that it is always a kind of balancing act since the general contractor is ultimately responsible for delivering on time and on budget, so they will have to be careful not force them into something they don't want to do. Mr. Harper asked staff if there was anything the board could do to incentivize developers to be more responsive to local small business participation. GC advised staff will look into that and report back at the next board meeting. Mr. Harper also stated that we may need a special meeting to discuss if and how the board can legally ensure local participation.

The ED stated staff's recommendation is to accept the updates to the application as provided by the developer, appoint a bond counsel firm Greenberg Traurig being next up in that rotation, and to authorize the ED to hold another public hearing for the issuance of not to exceed \$13.2M of multi-family revenue bonds. **A motion was made by Mr. Bennett to approve staff's recommendation and was seconded by Mrs. Henderson. The motion passed unanimously by a vote of 7-0.**

VI. New Business

Item (a.) Presentation of Multifamily Bonds audit report

Mr. Hutchison reported that his firm conducted an audit of the Authority's outstanding MF bond issues, referred to as conduit debt, and that the conduit debt totals provided to and are included in the county's annual comprehensive financial report. His firm has issued a clean unqualified opinion on the September 30, 2016 financial statements. There was only one unusual matter regarding the Colony Park 2001 bond issue which resulted in a \$116K right-off caused by the bond insurer making defaulted bond payments.

The ED said that Colony Park was a FHFC guarantee fund transaction that went into payment default for about twelve or thirteen months between 2012 and 2013. The owner brought the issue current and subsequently the bonds were repaid in full. He advised that the trustee had provided a written response to the couple of compliance issues noted in the audit report. He stated that it is staff's recommendation to accept and file the September 30, 2016 MF bonds audited financial statements.

Mr. Franklin moved approval of the staff recommendation which was seconded by Mr. Eliopoulos. The motion passed unanimously by a vote of 7-0.

Item (b.) Election of Officers

The ED advised that the PBC ordinance states that the Authority chair cannot serve more than two consecutive one-year terms, and that the chair nominee be approved by the Board of County Commission ("BoCC") annually. All other officers are determined solely by the Authority board.

Mr. Harper stated that with three new board members on the same a four-year term, and that in order for each to have an opportunity to serve as chair, he suggested only a single one-year term for the chair and nominated Patrick Franklin to serve as the next chair. Mr. Smith seconded the nomination.

The Chair stated we have a nomination and where there any other nominations. No other nominations were made and Mr. Smith moved that the nomination be closed. Following further discussion about whether to formally limit the term of the chair to one year GC stated that the motion on the floor by Mr. Harper was the nomination of Mr. Franklin to be the chair. He added that to rescind that motion Mr. Smith would have to agree. Mr. Harper then withdrew his motion, which Mr. Smith agreed, and then Mr. Harper made a motion that the chairman and vice chair have a term of one year so that hopefully everybody will get an opportunity to serve as chairperson. Mr. Bennett seconded the motion. The motion passed unanimously by a vote of 7-0. The ED asked to confirm that the motion means that vice chair will succeed the chair to which Mr. Bennett stated that was the motion.

Mr. Harper then make a second motion to nominate Patrick Franklin as the new Chair for a one-year term. The motion was seconded by Mr. Smith and unanimously passed by a vote of 7-0.

Mr. Franklin then made a motion to nominate Gary Eliopoulos as Vice Chair. The motion was seconded by Mr. Smith and unanimously passed by a vote of 7-0.

Mr. Eliopoulos moved to nominate Mr. Harper as Secretary. The motion was seconded by Mr. Smith and unanimously passed by a vote of 7-0.

Mr. Harper then moved that all other board members and the ED be appointed as assistant secretary's. The motion was seconded by Mr. Eliopoulos and unanimously passed by a vote of 7-0.

Mr. Eliopoulos made a motion that all officers become effective once the BoCC has approved the nomination of the chair. The motion was seconded by Mrs. Henderson and unanimously passed by a vote of 7-0.

Item (c.) Additional conference travel policy considerations

The ED presented a number of proposed additions to the Authority's internal policies and procedures concerning travel which basically follow the PBC policy and procedures manual.

Following discussion of the proposed additions Mr. Bennett made a motion to incorporate the staff recommendations to the Authority's policies and procedures. The motion was seconded by Mr. Harper and unanimously passed by a vote of 7-0.

GC advised that because the state statute says that to have a different per diem it must be approved by resolution, therefore he will prepare for next month's meeting a resolution approving these revisions.

VII. Other matters

a. Matters of Authority members

Mr. Harper asked if there had been any follow-up by staff regarding the statement made at the previous board meeting where the WPBHA representative said that they had offered to donate the old Dunbar fence to the Urban League. Mr. Franklin stated he was waiting for a bid to move it but that half of it is now gone. He added that it may be cost prohibitive to do anything with it and therefore doesn't anticipate taking the old fence. GC stated he would follow up with the WPBHA to find out what is happening from their side.

No action was taken by the board on this matter.

b. Matters of the Executive Director and Professionals

The ED provided a reminder of the two remaining approved conferences for 2017, and provided updates on the status of revolving loan commitments.

There was no action taken by the Authority on the matters.

c. Matters of the Public

None

d. Next meeting:

The next regularly scheduled meeting is at 9am, July 21, 2017 at the PBC Airport Center, HR Training Rm. 4-790.

VIII. Adjournment

Mr. Smith moved adjournment at 10:23 a.m. The motion was seconded by Mr. Eliopoulos and unanimously approved by a vote of 7-0.

Respectfully submitted,

Executive Director

Secretary



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Date: June 26, 2017
To: Susan Fahimi
U.S. Bank Corporate Trust
From: David M. Brandt, Executive Director 
Re: General Fund Disbursement #6-2017

The following invoices/reimbursement requests are presented for your approval and payment, with supportive documentation attached. Please confirm release of payments with Authority Secretary Robin Henderson.

<u>PAYEE</u>	<u>AMOUNT</u>
PBC Board of County Commissioners (Apr.)	\$ 20,294.63
Greenspoon Marder (May)	2,715.89
David M. Brandt (May auto)	500.00
Florida U.C. Fund (3rd. quart. 2016 late fee)	15.00
FL ALHFA (conference registration fee)	<u>750.00</u>

Total General Fund Disbursement: \$ 24,275.52

Encls.

CC: Amanda Kumar, US Bank
Robin Henderson, HFA Secretary

Housing Finance Authority of Palm Beach County
 Summary of Monthly Project Bond Program Reports
 May 2017

Project:	Date Report was received	Per Rent Roll or FHFC Recap:		Number of TICs included:		Total # units	Total Occup. Units	Current months occup.	Last months occup.	2017 average occup.
		New	Annual renewal	# of IC's (1)	# of AR's (1)					
1) Azalea Place (d/b/a Palm Grove) (#)	6/15/17	2	9	2	9	150	149	99.3%	99.3%	99.5%
2) Colonial Lakes	6/14/17	2	n.a.	2	n.a.	120	120	100.0%	98.3%	99.7%
3) Colony Park (@)(2)	6/8/17	0	4	0	4	130	130	100.0%	100.0%	99.8%
4) Green Cay Village (d/b/a Palm Park) (#)	6/9/17	2	8	2	8	160	160	100.0%	99.4%	99.8%
5) Indian Trace (@)(#)	6/10/17	6	14	6	14	330	327	99.1%	100.0%	99.1%
6) La Joya Villages (*) (#)	6/15/17	2	n.a.	2	n.a.	55	51	92.7%	89.1%	89.5%
7) Lake Delray (*)	6/15/17	3	n.a.	3	n.a.	404	370	91.6%	91.1%	92.1%
8) Malibu Bay (@)(#)	6/15/17	5	n.a.	5	n.a.	264	258	97.7%	97.3%	96.5%
9) New South Bay Villas (3)(*)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
10) Palm Gardens (#)	6/15/17	0	2	0	2	80	80	100.0%	100.0%	99.5%
11) Palms West (*) (#)	6/15/17	3	n.a.	3	n.a.	290	284	97.9%	99.3%	99.0%
12) Paul Lawrence Dunbar Senior (#)(*)(4)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13) Pine Run Villas (*) (#)	6/15/17	0	n.a.	0	n.a.	63	63	100.0%	100.0%	99.7%
14) Pinnacle At Abbey Park (2)(@)(*)	6/15/17	1	n.a.	1	n.a.	160	154	96.3%	99.4%	97.9%
15) Pinnacle Palms (*)	6/15/17	0	n.a.	0	n.a.	152	151	99.3%	99.3%	98.8%
16) Renaissance (at San Marino) (#)	7/6/17	11	20	11	19	344	336	97.7%	97.1%	97.3%
17) Riverview House (#)	6/14/17	4	11	4	11	160	157	98.1%	98.8%	97.4%
18) Venetian Isles II (d/b/a San Marco VI) (2)(@)(#)	6/21/17	2	5	2	5	112	108	96.4%	98.2%	97.5%
19) Village Square Elderly (5)(*)(#) t/b/r/a Courts at Vil	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
20) Westgate Plaza (*) (#)	6/15/17	0	n.a.	0	n.a.	80	80	100.0%	100.0%	99.8%
21) Woodlake (@)(*)	6/9/17	5	n.a.	5	n.a.	224	220	98.2%	99.6%	99.3%
Totals		48	73	48	72	3278	3198	98.0%	98.1%	97.9%
(1) "C's" are initial move-in "Tenant Income Certification" forms and "AR's" are annual recertification forms provided.										
(2) Has prepaid the remaining issuer fee										
(3) First occupancy of rehabbed units expected November 2017.										
(4) Expected first occupancy May 2017										
(5) Expected first occupancy second quarter 2017.										
(@) Bonds have been redeemed in whole but Qualified Project Period still in effect.										
(*) No annual recertifications are required as long as 100% of units are certified as "Low Income".										
(#) Current monthly rents are at LHTC maximum or all Section 8 above LHTC rent.										

Housing Finance Authority of Palm Beach County
 Summary of Monthly Project Bond Program Reports
 May 2017

Project:	2016		2015		2014		2013		2016		2015		2014		2013	
	average occup.	average occup.	average occup.	average occup.	average occup.	average occup.	high	high	high	high	low	low	low	low	low	low
1) Azalea Place (d/b/a Palm Grove)	99.6%	98.7%	98.9%	99%	100%	100%	100%	100%	100%	99%	98%	97%	97%	97%	97%	97%
2) Colonial Lakes	99.9%	99.6%	96.3%	n.a.	100%	100%	100%	100%	100%	99%	99%	99%	92%	n.a.	n.a.	n.a.
3) Colony Park	99.2%	99.0%	97.8%	95%	100%	100%	100%	100%	99%	97%	95%	93%	96%	93%	93%	93%
4) Green Cay Village (d/b/a Palm Park)	99.4%	97.8%	98.0%	92%	100%	100%	99%	99%	99%	95%	99%	96%	96%	88%	88%	88%
5) Indian Trace	98.6%	97.9%	97.7%	95%	100%	100%	99%	100%	100%	98%	98%	94%	94%	92%	92%	92%
6) La Joya Villages	98.9%	99.8%	n.a.	n.a.	100%	100%	100%	n.a.	n.a.	95%	98%	n.a.	n.a.	n.a.	n.a.	n.a.
7) Lake Delray	n.a.	n.a.	95.6%	96%	n.a.	n.a.	n.a.	n.a.	96%	98%	n.a.	96%	96%	94%	94%	94%
8) Malibu Bay	96.1%	97.4%	91.6%	89%	99%	100%	100%	96%	96%	92%	94%	82%	82%	84%	84%	84%
9) New South Bay Villas (1)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
10) Palm Gardens	99.1%	98.9%	98.2%	85%	100%	100%	100%	100%	100%	98%	98%	96%	96%	93%	93%	93%
11) Palms West	98.6%	98.5%	100.0%	n.a.	100%	100%	100%	100%	100%	98%	98%	84%	84%	n.a.	n.a.	n.a.
12) Paul Lawrence Dunbar Senior (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13) Pine Run Villas	98.8%	98.8%	99.7%	n.a.	100%	100%	100%	100%	100%	97%	95%	98%	98%	n.a.	n.a.	n.a.
14) Pinnacle At Abbey Park	97.5%	96.9%	94.2%	93%	99%	100%	100%	98%	98%	94%	91%	92%	92%	89%	89%	89%
15) Pinnacle Palms	98.6%	97.3%	95.4%	91%	100%	100%	99%	97%	94%	97%	96%	91%	91%	89%	89%	89%
16) Renaissance (at San Marino)	97.9%	97.6%	96.3%	94%	99%	99%	99%	99%	95%	96%	96%	92%	92%	91%	91%	91%
17) Riverview House	97.0%	95.1%	82.6%	93%	99%	99%	99%	96%	98%	95%	91%	75%	75%	89%	89%	89%
18) Venetian Isles II (d/b/a San Marco VI)	98.1%	99.6%	96.9%	96%	100%	100%	100%	100%	100%	96%	98%	93%	93%	94%	94%	94%
19) Village Square Elderly (3) (d/b/a Courts 4)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
20) Westgate Plaza	99.0%	98.9%	98.3%	99%	100%	100%	100%	100%	100%	95%	98%	95%	95%	98%	98%	98%
21) Woodlake	99.4%	99.4%	97.4%	96%	100%	100%	100%	99%	99%	98%	98%	95%	95%	98%	98%	98%
Totals (4)	98.6%	98.3%	96%	94%	100%	100%	100%	99%	99%	98%	98%	95%	95%	89%	89%	89%
(1) First occupancy of rehabbed units expected November 2017.																
(2) Expected first occupancy May 2017																
(3) Expected first occupancy second quarter April 2017.																
(4) Sum of the averages of each project																

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
May 2017

Project:	Location:	2016		2015		2014		2013		Most restrictive tenant set aside requirements per HFA bond or other subordinate/HTC financing
		occup. turn over	occup. turn over	occup. turn over	occup. turn over	occup. turn over	occup. turn over			
1) Azalea Place (d/b/a Palm Grove)	Australian Ave. south of 25st Street, WPB	9%	15%	14%	26%	100% HAP contract				
2) Colonial Lakes	Lake Worth Rd. west of Haverhill Rd., Greenacres	28%	31%	n.a.	n.a.	25% @ 30%, 30% @ 50% AMI				
3) Colony Park	Belverdere Rd. west of Benois Farms, suburban WPB	25%	28%	38%	39%	2% @ 25% & 98% @ 60% AMI				
4) Green Cay Village (d/b/a Palm Park)	Off Jog Rd. south of Woolbright, Boynton Bch.	17%	26%	29%	34%	100% @ 60% AMI				
5) Indian Trace	N. Military Trail south of SR 710, Riviera Bch.	28%	38%	38%	37%	20% @ 50% & 80% @ 60% AMI				
6) La Joya Villages	6th Ave S. just east of US 1, Lake Worth	5%	5%	n.a.	n.a.	25% @ 50% AMI per NSP2				
7) Lake Delray	Lindell Blvd. east of I-95/south of Linton Blvd. Del. Bch	n.a.	n.a.	12%	15%	100% @ 60% AMI; 50% HAP				
8) Malibu Bay	Executive Center Dr. south of PB Lake Blvd. WPB	22%	35%	38%	47%	100% @ 60% AMI				
9) New South Bay Villas (1)	MLK and Palm Beach Road, City of South Bay	n.a.	n.a.	n.a.	n.a.	HAP contract all but 1 unit				
10) Palm Gardens	4th Ave N. south of 10 Ave. N., Lake Worth	15%	24%	33%	38%	17% @ 30% and 83% @ 60% AMI				
11) Palms West	1551 Quail Drive off Westgate Ave. suburban WPB	9%	13%	n.a.	n.a.	2% @ 50% and 98% @ 60% AMI				
12) Paul Lawrence Dunbar Senior (2)	Corner of Division and Grant St., WPB	n.a.	n.a.	n.a.	n.a.	100% HAP contract				
13) Pine Run Villas	6th Ave S./Melaleuca west of Haverhill Rd. Lk. Worth	14%	19%	3%	n.a.	25% @ 30%/30% @ 50%/45% @ 60%				
14) Pinnacle At Abbey Park	Forest Hill Blvd. west of Haverhill, WPB	29%	30%	36%	48%	4% @ 30% & 96% @ 60% AMI				
15) Pinnacle Palms (3)	Executive Center Dr. south of Congress Ave. WPB	19%	25%	31%	31%	100% @ 60% AMI				
16) Renaissance (at San Marino)	N. Military Trail north of Roebuck Rd., WPB	24%	34%	41%	29%	25% @ 50% & 75% @ 60% AMI				
17) Riverview House (4)	Lake Worth Rd. east of S. Military Trail, Lake Worth	34%	48%	55%	38%	100% @ 60% AMI				
18) Venetian Isles II (5)(d/b/a San Marco V	N. Congress Ave. south of Northlake Blvd., Riv. Bch.	22%	27%	44%	30%	100% @ 60% AMI				
19) Village Square Elderly (d/b/a Courts at	NE corner of SW8th Street & Auburn Ave., Del. Bch.	n.a.	n.a.	n.a.	n.a.	100% HAP contract				
20) Westgate Plaza	Quail Drive and Westgate Ave., suburban WPB	14%	10%	14%	6%	100% HAP contract				
21) Woodlake	N. Jog Rd. south of Okeechobee Blvd., WPB	15%	21%	33%	47%	100% @ 60% AMI				
	Totals (6)	19%	25%	31%	33%					
(1) First occupancy expected November 2017.										
(2) Expected first occupancy May 2017										
(3) PBC LURA has 60% @ 55+. FHFC has 80% @ 55+ w/no tenant under 18										
(4) PBC LURA amended to 100% @ 55+ from 60+, and no tenant under 18.										
(5) Expected completion second quarter 2017										
(5) Sum of the averages of each project based on move-in's										

Own a Home Opportunity Programs June 2017 Summary

<u>County</u>	<u>Loan Amount</u>	<u># of Loans</u>
Lee	3,749,482	23
Palm Beach	1,685,688	8
Saint Johns	1,328,824	7
Collier	1,215,083	5
Sarasota	862,537	4
Broward	396,682	2
Charlotte	272,865	2
Grand Total	9,511,161	51

<u>Lender</u>	<u>Loan Amount</u>	<u># of Loans</u>
Everett Financial, Inc.	2,728,305	14
Hamilton Group Funding, Inc	875,743	5
DHI Mortgage Co., Ltd.	846,579	4
IBERIABANK Mortgage Company	760,049	4
Fairway Independent Mortgage Corporation	630,573	3
The American Eagle Mortgage Co	609,751	3
CMG Mortgage, Inc.	598,174	3
loanDepot.com, LLC	455,479	2
HomeBridge Financial Services Inc.	453,228	2
Cornerstone Home Lending, Inc.	446,896	3
Mortgage 1, Inc	387,975	3
Highlands Residential Mortgage	266,615	2
GSF Mortgage Corporation	171,830	1
SWBC Mortgage Corporation	142,500	1
Franklin American Mortgage Company	137,464	1
Grand Total	9,511,161	51

<u>Type</u>	<u>Loan Amount</u>	<u># of Loans</u>
GNMA	7,172,895	39
Freddie Mac	2,338,266	12
Grand Total	9,511,161	51

<u>DPA Type</u>	<u>Loan Amount</u>	<u># of Loans</u>
Grant	8,668,359	45
2nd	842,802	6
Grand Total	9,511,161	51

	FY 2016/2017 Initial Budget	FY 2016/2017 Budget adjustments	FY 2016/2017 Projected Annual	FY 2015/2016 Cash at 6/30/17
Operating revenues:				
Multifamily on-going fees	\$ 270,500		\$ 282,516	\$ 210,967
Multifamily one-time fees	\$ -		\$ 142,154	\$ 110,154
Single Family Loan Origination Fees	\$ 150,000		\$ 125,000	\$ 118,721
Other	\$ -		\$ 11,244	\$ 11,244
Total Receipts	\$ 420,500	\$ -	\$ 560,913	\$ 451,086
Operating expenditures:				
Reimbursement to PBC	\$ 300,626		\$ 298,771	\$ 160,924
Accounting fees	\$ 37,600		\$ 36,000	\$ 36,000
Auditing fees	\$ 64,344		\$ 64,344	\$ 48,258
Legal	\$ 45,000		\$ 15,000	\$ 11,146
Other	\$ 43,500		\$ 27,000	\$ 19,916
Total Disbursements	\$ 491,070	\$ -	\$ 441,115	\$ 276,243
Income/(Loss) from operations	\$ (70,570)		\$ 119,798	\$ 174,843
Non-operating Revenues:				
Interest Income:				
from short-term investment	\$ 62,000		\$ 75,000	\$ 109,842
from single family MBS	\$ 75,000		\$ 50,000	\$ 53,664
Total Non-Operating Revenues	\$ 137,000	\$ -	\$ 125,000	\$ 163,506
Increase in Net Position:	\$ 66,430		\$ 244,798	\$ 338,349
Beginning balance:	\$ 9,114,859		\$ 9,485,602	\$ 9,485,602
Change in cash position:				
SF MBS principal payments	\$ 100,000		\$ 75,000	\$ 353,589
Net Revolving Loan funding	\$ -		\$ (2,303,228)	\$ (2,303,228)
Net DPA second mortgage funding	\$ (360,000)		\$ (290,000)	\$ (259,620)
Other	\$ (200,000)		\$ (37,153)	\$ (37,153)
Ending balance:	\$ 8,654,859	\$ -	\$ 7,175,019	\$ 7,577,539

		FY 2016/2017 Initial Budget	FY 2016/2017 Projected Annual	FY 2016/2017 Projected Annual	FY 2016/2017 Cash at 6/30/17
Beginning balance:		\$ 9,485,602		\$ 9,485,602	\$ 9,485,602
Increase in Net Position:		\$ -		\$ 244,798	\$ 338,349
Net change		\$ (460,000)		\$ (2,555,381)	\$ (2,246,412)
Ending cash balance:		\$ 9,025,602		\$ 7,175,019	\$ 7,577,539
Reservation of Net Position:					
DPA Fund - beginning	(1)	\$ 1,818,850.60		\$ 1,997,650	\$ 1,997,650
Net change in funding level	(2)	\$ -	\$ (300,000)	\$ (300,000)	\$ (300,000)
Net of originations and repayments	(3)	\$ 360,000		\$ 290,000	\$ 259,620
DPA Fund - ending		\$ 2,178,851		\$ 1,987,650	\$ 1,957,270
Revolving Loan Fund - beginning	(4)	\$ (4,600,000)		\$ (4,600,000)	\$ (4,600,000)
Net change in funding level	(2)	\$ -	\$ (400,000)	\$ (1,650,000)	\$ (1,650,000)
Revolving Loan Fund - ending		\$ (4,600,000)		\$ (6,250,000)	\$ (6,250,000)
SF Loan Purchase Fund - beginning	(5)	\$ (2,340,143)		\$ (2,340,000)	\$ (2,340,000)
Defeasance of 2006-Sub 1 bonds	(6)	\$ (158,852)		\$ (200,000)	\$ (200,000)
Net change in funding level	(7)	\$ -		\$ -	\$ -
Use of funds		\$ 158,852		\$ -	\$ -
SF Loan Purchase Fund - ending		\$ (2,340,143)		\$ (2,540,000)	\$ (2,540,000)
Unreserved balance	(8)	\$ 4,264,310		\$ 372,669	\$ 744,809
(1) DPA second mortgages in PBC under Lee TBA program.					
(2) Funding reservations increased at 9/9/16 meeting.					
(3) DPA second mortgages funded with HFA funds net of DPA loan repayments.					
(4) Authorized \$4.6M at 9/18/15 meeting.					
(5) Authorized at 9/18/15 meeting for future single family mortgage program.					
(6) Authorization for defeasance of 2006-1 bonds issue on 5/9/14; increased to amount needed to optionally redeem on or after February 1, 2017 est. at \$200K.					
(7) currently n.a.					
(8) Estimate of unreserved surplus funds					

Revolv. Constr. Loan Fund commitments:	Date of reservation	Note maturity			
Initial funding level	5/9/2014		\$	1,775,782	
Increases in funding level:	1/16/2015		\$	2,824,218	
	9/9/2016		\$	400,000	
	12/9/2016		\$	1,250,000	
			\$	6,250,000	
					Released funds
HFHSPBC	7/19/2013	paid in full 3/23/17	\$	(500,000)	\$ (500,000)
NOAH	9/11/2013	matured	\$	(200,000)	\$ (200,000)
WPBHA	5/8/2015	matured	\$	(500,000)	\$ (500,000)
PBC CLT DL West	1/16/2015	5/23/2018	\$	(3,400,000)	\$ -
WPBHA master LOC	11/18/2016	to be determined	\$	(250,000)	\$ -
FCLF participation for NR	12/9/2016	withdrew request	\$	(2,500,000)	\$ (2,500,000)
HFHSPBC	3/10/2017	to be determined	\$	(500,000)	\$ -
PBC CLT Kirk Rd. project	5/9/2017	to be determined	\$	(1,000,000)	\$ -
		Previously committed	\$	(8,850,000)	\$ (3,700,000)
		Currently uncommitted	\$	1,100,000	

RESOLUTION NO. 2017- 04

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA; APPROVING REVISIONS TO THE REVISED INTERNAL OPERATING PROCEDURES OF THE AUTHORITY ADOPTED MAY 12, 2017; AUTHORIZING THE PROPER OFFICERS OF THE AUTHORITY TO DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION THEREWITH; REPEALING RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Board"), has heretofore enacted an ordinance, as amended, creating the Housing Finance Authority of Palm Beach County, Florida (the "**Authority**"), pursuant to the provisions of Part IV of Chapter 159, Florida Statutes, as amended and supplemented (the "**Act**"); and

WHEREAS, the Board has heretofore adopted a resolution declaring a need for the Authority to function in order to alleviate the shortage of housing and capital for investment in housing within Palm Beach County, Florida (the "**County**"); and

WHEREAS, the Authority, on May 12, 2017, adopted revised Internal Operating Procedures; and

WHEREAS, the Authority may only establish rates that vary from the per diem rates for travel provided in Section 112.061(6)(a), Florida Statutes, the subsistence rates provided in Section 112.061(6)(b), Florida Statutes, or the mileage rate provided in Section 112.061(7)(d), Florida Statutes, by resolution; and

WHEREAS, the Authority desires to adopt a revision to said revised Internal Operating Procedures, as provided herein.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA:

Section 1: Recitals. The foregoing recitals stated above are hereby found by the Authority to be true and correct and incorporated into this Resolution.

Section 2: Approval and Adoption of Revision to Revised Internal Operating Procedures. The Authority hereby approves and adopts revisions to the revised Internal Operating Procedures of the Authority adopted May 12, 2017 (the “**Internal Operating Procedures**”), in the form attached as Exhibit “A” hereto (the “**Revisions**”).

Section 3: Further Actions; Effectiveness of Approval. The Chairperson, the Vice Chairperson, the Secretary of the Authority and the other members of the Authority, the Executive Director of the Authority, the Authority's general counsel, are hereby authorized and directed to do all acts and things required or permitted of them by the provisions of this Resolution.

Section 4: Headings Not Part of this Resolution. Any headings preceding the texts of the several sections of this Resolution shall be solely for convenience of reference and shall not form a part of this Resolution, nor shall they affect its meaning, construction or effect.

Section 5: Repeal of Conflicting Resolutions. Any resolutions or other action of the Authority in conflict with the provisions of the attached Revisions are, to the extent of such conflict, hereby repealed.

Section 6: Resolution Effective. This Resolution shall be effective retroactive to June 9, 2017.

ADOPTED this 21st day of July, 2017.

(SEAL)

HOUSING FINANCE AUTHORITY OF
PALM BEACH COUNTY, FLORIDA

ATTEST:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
Name: Morris G. (Skip) Miller, Esq.
Title: Attorney

EXHIBIT "A"

REVISIONS TO INTERNAL OPERATING PROCEDURES

INTERNAL OPERATING PROCEDURES

OF

**THE HOUSING FINANCE AUTHORITY OF
PALM BEACH COUNTY, FLORIDA**

Adopted September 12, 2014

Revised ~~May 12~~June 9, 2017

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in the form established therefor by the County. Payments for owned or leased operational facilities shall be made pursuant to agreements entered into therefor, including, but not limited to, leases, mortgages or installment contracts. Payments to staff employed directly by the Authority shall be made as agreed upon by the Authority and such employee.

- C. Travel: All travel must be by a usually traveled route. If a person travels by an indirect route for personal convenience, any extra costs will be at the traveler's expense. An extended stay of one day before and/or one day after the normal conference travel period may be approved in advance by the Authority board if it is not reasonable or practical to arrive or depart on the same day as the event.

Commercial air travel: Persons requesting travel by commercial airlines are required to compare airfares before booking flights. Commercial air travel will be by the most economical class, either tourist or coach, available at a reasonable flight time. Expenses for common carrier transportation that are in excess of the rates for the most economical class will be the responsibility of the traveler and must be reimbursed by the traveler, unless justified. Justification may include family emergency or unexpected schedule changes by the common carrier. If the traveler combines personal travel with conference travel documentation of the comparable airfare for flights occurring during the period of conference travel at the time of booking must be provided.

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The executive director is authorized to use the Authority's Credit Card for payment of a traveler's airline reservation/ticket. Other air travel related reimbursable costs include mileage to and from the traveler's home to the airport, airport parking fees, taxi/shuttle to and from the airport and conference hotel, and baggage fees limited to two (2) bags. Non-reimbursable air travel expenses include fees & tips given to porters or baggage carriers, flight insurance, seat selections, meal/drink services, entertainment, and any/all incidentals.

Personal car mileage reimbursement or rental car travel in Florida only: The traveler may be reimbursed for either actual mileage, including bridge/toll road fees, at the then current federal rate, or the car rental may be reserved and paid for through the executive director with the use of the Credit Card and will include purchase of loss damage waiver and supplemental liability insurance. The intermediate car rental rate will be reimbursed unless the need for a

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larger car has been documented and approved by the Authority board.

Lodging: Travelers will be reimbursed at the standard (or overflow hotel rate if applicable) conference hotel rate plus an amount for meal allowances as follows:

Breakfast \$7 - when travel begins before 6 a.m. and extends beyond 8 a.m.

Lunch \$11- when travel begins before 12 noon and extends beyond 2 p.m.

Dinner \$22 - when travel begins before 6 p.m. and extends beyond 8 p.m.

On the first or last day of travel, if travel begins prior to 6 am and ends after 8 pm, traveler's may receive up to \$40 per day.

The executive director may use the Credit Card to reserve for any Person attending an authorized conference the hotel room and pay for one night's stay if required by the hotel. The Credit Card may also be used to pay for the remainder of the hotel stay, but it may be necessary to obtain a credit card authorization form from the hotel in order to do so if the Executive Director is not attending that conference. Please verify the hotel's payment policy when booking the room. Non-reimbursable lodging expenses include gratuities, phone calls, mini- bar, room or laundry service, hotel restaurant or bar, spa/gym, locker/safe rental, salon, movies, etc. A meal allowance will not be paid for any meal included in a conference registration fee, provided by a hotel or conference host, or otherwise gratuitously provided.

Cancellations/Overpayments: The traveler shall be personally responsible for any travel expenses (but not their conference registration fee) when the traveler does not attend the conference due to personal reasons as determined by the Authority board.

~~and Other~~ **Reimbursements:** Requests for reimbursements to reimburse Members, employees or other persons for travel expenses, educational materials or any other "Permissible Expenditures" shall be submitted to the Executive Director, or other party appointed by the Authority for such purpose, in the form attached hereto as "**Appendix B,**" as may be amended and supplemented (the "Request for Reimbursement"), accompanied by the appropriate documentation of such expenditure, including, but not limited to, receipts, bills, cancelled checks or invoices for such expenditure. Credit card statements are not a preferred form of documentation and the Authority may reject such form of

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documentation if the amount requested for reimbursement as indicated on the credit card statement is greater than amounts customarily charged for such item. If documentation of an individual single expenditure amounting to less than twenty-five dollars (\$25.00) is unavailable, the Member requesting reimbursement for such expenditures shall submit to the Executive Director, or other party appointed by the Authority for such purpose, as documentation thereof for purposes of the Request for Reimbursement, a Certification of Expenditure in the form attached hereto as "**Appendix C,**" as may be amended and supplemented, certifying as to the amount, nature and validity of such expenditure. Requests for Reimbursement by a Member for multiple expenditures in an aggregate amount in excess of fifty dollars (\$50.00) for which documentation is unavailable shall be denied to the extent that the amount requested exceeds \$50.00, regardless of the inclusion of a Certification of Expenditure, provided, however, that the Authority may determine to waive this limit if good cause can be shown by the requesting party as to why documentation of the expenditure is not available. All requests for travel reimbursement shall be for amounts and purposes permissible under 112.061, Florida Statutes, which is incorporated herein by reference, as it may be amended. Any questions regarding the interpretation and application of 112.061, Florida Statutes should be directed to the Authority's General Counsel. Notwithstanding the foregoing, (a) the mileage allowance shall be the greater of (i) those rates published on the United States General Services Administration website (~~currently \$0.555 per mile, as periodically updated~~), or (ii) the mileage allowance set forth in Section 112.061(7)(d), Florida Statutes,, and (b) the Authority may approve reimbursement for lodging or overnight travel within 50 miles of a Member's residence if the circumstances necessitating such overnight travel are fully explained by the Member (e.g., late night or early morning job responsibilities or excessive travel time because of traffic conditions).

- D. Miscellaneous: Requests for disbursements for administrative costs, other than operational facilities, staff salaries and fees payable to the Authority's contract professionals, but including, but not limited to, pre-paid travel expenses, advertisements, regulatory fees and costs not otherwise reimbursed pursuant to Section 6.05(d)(i)(C) above, shall be included on the General Fund Disbursement prepared by the Executive Director, or other party appointed by the Authority for such purpose, pursuant to Section 6.05(d)(ii) below, with the appropriate supporting documentation, including, but not limited to, receipts, invoices or bills.