

ORANGE COUNTY HOUSING FINANCE AUTHORITY

BOARD OF DIRECTORS

M. McCall | V. ATKINS-BRADLEY | S. RIZZO | C. HUNTER

OFFICIAL MEETING MINUTES

Meeting: Ad Hoc Committee Meeting **Date:** Wednesday, April 3, 2019 **Time:** 8:00am
Location: Orange County Housing Finance Authority – 2211 E. Hillcrest St., Orlando, FL 32803

Members

PRESENT

Mercedes McCall
Committee Chairmain

Sascha Rizzo
Committee Member

Vernice Atkins-Bradley
Board Member

Members

ABSENT

Curtis Hunter
Board Member

OCHFA Staff

PRESENT

W.D. Morris
Executive Director

Kayode Adetayo
Chief Financial Officer

Frantz Dutes
Director Program Operations

Olympia Roman
Staff/ Recording

Professionals

PRESENT

David Jones via phone
Financial Advisor – CSG Advisors

Warren Bloom
General Counsel – GTLaw

Mike Watkins
General Counsel – GTLaw

Sylvia S. Penneys
Bond Counsel – GTLaw

MEETING OPENED

There being a quorum, Madam Chairman, Mercedes McCall called the meeting to order at 8:04 a.m.

A. PROPOSED MULTI-FAMILY FEE POLICY REVISION

Madam Chairman McCall, asked WD Morris, Executive Director to address the Committee regarding staff's proposed Multi-Family Fee Policy revision. Mr. Morris addressed the Committee by providing a brief history of the Authority's Multi-Family Fee Policy and an overview of the Ad Hoc Committee's previous meeting held on March 21, 2019, and the Committees' request to have staff continue evaluating the issues and prepare an analysis to be presented to the Ad Hoc Committee, prior to the board's next regular meeting. He then presented staff and professionals revisions which further delineated the Authority's long-term fee policies by providing a menu of fees to include a Short-Term Fee Policy.

After extensive discussion, Committee Member Vernice Atkins-Bradley made a motion to accept staff's recommendation; subsequently, Committee Member Sascha Rizzo, made a friendly amendment to the motion that revised staff's recommendation which reflects the following:

- Option 1. Elect to use the Existing Long-Term Fee Policy: Upfront fees of 75-Basis Points (bps), and, 30-bps Annual Administration Fee;
- Option 2. Alternative Long-Term Fee Policy: Higher upfront fees from 165-bps to 240-bps, with a lower fixed 15-bps Annual Administration Fee per Annum...

HIGHER UPFRONT FEES FROM 165-BPS TO 240-BPS

UPFRONT FEES	< \$10 MM	\$10 up to \$15 MM	\$15 up to \$20 MM	\$20 up to \$25 MM	\$25+ MM
Application Fee	0.10%	0.10%	0.10%	0.10%	0.10%
Upfront Bond Financing Fee	0.30%	0.30%	0.30%	0.30%	0.30%
Upfront Issuer Fee	2.00%	1.75%	1.50%	1.35%	1.25%
TOTAL Upfront Fees	2.40%	2.15%	1.90%	1.75%	1.65%

LOWER FIXED 15-BPS ANNUAL ADMINISTRATION FEE PER ANNUM

Annual Administration Fees	< \$10 MM	\$10 up to \$15 MM	\$15 up to \$20 MM	\$20 up to \$25 MM	\$25+ MM
(\$10K annual minimum)	0.15%	0.15%	0.15%	0.15%	0.15%
Annual Fee Received	\$10,000	\$15,000	\$22,500	\$30,000	\$37,500
Annual Fees Received (assuming 17-yrs) (assuming 17-year outstanding period)	\$170,000	\$255,000	\$382,500	\$510,000	\$637,500

...; or

Option 3. Elect to use the Short-Term Fee Policy: To address projects with tax-exempt financing that is redeemed in full after construction or rehabilitation.

SHORT-TERM FEE SCHEDULE	< \$10 MM	\$10 up to \$15 MM	\$15 up to \$20 MM	\$20 up to \$25 MM	\$25+ MM
Application Fee	0.10%	0.10%	0.10%	0.10%	0.10%
Upfront Bond Financing Fee	0.30%	0.10%	0.30%	0.30%	0.30%
Upfront Issuer Fee	2.00%	1.75%	1.50%	1.35%	1.25%
TOTAL Upfront Fees	2.40%	1.95%	1.90%	1.75%	1.65%

Committee Member Rizzo's amendment to the motion was seconded by Ms. Atkins-Bradley.

ACTION TAKEN

There being no further discussion the Ad Hoc Committee recommends adoption of the Authority's proposed Revised Multi-Family Fee Policy, and approval at its regular Board Meeting on April 3, 2019. The recommended, Revised Multi-Family Fee Policy is as follows:

Retain and amend the Authority's existing Long-Term Fee Policy for Long-Term bond structures, to allow applicants to choose, upon application submission, whether to use:

- Option 1. Existing Long-Term Fee Policy: Upfront fees from 75-bps, with 30-bps Annual Administration Fee; or*
- Option 2. Alternative Long-Term Fee Policy: higher upfront fees of 165-bps to 240-bps, with a lower fixed 15-bps Annual Administration Fee per annum, adjusted based on the amount of bonds issued; and/or*
- Option 3. Short-Term Fee Policy: to address projects with tax-exempt financing that is redeemed in full after construction or rehabilitation.*

ADJOURNMENT

There being no further business, Ad Hoc Committee Chairman, Mercedes McCall, adjourned the meeting at 8:18a.m.

ATTEST:

W.D. MORRIS
 EXECUTIVE DIRECTOR

MERCEDES McCALL
 COMMITTEE CHAIRMAN

 END OF MINUTES PREPARED BY OLYMPIA ROMAN