

# ORANGE COUNTY HOUSING FINANCE AUTHORITY

## BOARD OF DIRECTORS

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

### OFFICIAL MEETING MINUTES

**Meeting:** Board of Directors Meeting **Date:** Wednesday, April 3, 2019 **Time:** 8:30am  
**Location:** Orange County Administration Center – Commissioners Chambers – 1<sup>st</sup> Fl., 201 S. Rosalind Ave., Orlando, FL.

#### Board Members

PRESENT

**Mercedes McCall**  
Chairman

**Vernice Atkins-Bradley**  
Vice Chairman

**Sascha Rizzo**  
Board Member

**Curtis Hunter**  
Board Member

#### OCHFA Staff

PRESENT

**W.D. Morris**  
Executive Director

**Kayode Adetayo**  
Chief Financial Officer

**Frantz Dutes**  
Director, Program Operations

**Olympia Roman**  
Recording/Staff

**Rosalind Natal**  
Staff

**Chaynae Price**  
Staff

#### OCHFA Professionals

PRESENT

**Warren Bloom**  
General Counsel, Greenberg Traurig

**Mike Watkins**  
General Counsel, Greenberg Traurig

**Sylvia S. Penneys**  
Bond Counsel, Greenberg Traurig

**Cameron Hill**  
Managing Underwriter – RBC Capital Markets

**James Audette**  
Trustee, SunTrust Bank

#### BCC Staff

PRESENT

**Lila McHenry**  
Assistant County Attorney

### MEETING OPENED

There being a quorum, Madam Chairman, Mercedes McCall called the meeting to order at 8:30 a.m. Madame Chairman recognized and acknowledged UCF Business Students in the audience.

### PUBLIC COMMENT(S)

No comment(s).

### CONSENT AGENDA

#### ACTION TAKEN

*There being no discussion, the Board approved Consent Agenda items.*

MOTION / SECOND: V. Atkins-Bradley/ C. Hunter AYE BY VOICE VOTE: All Present NAY BY VOICE VOTE: \_\_\_\_\_ ABSTAINED: \_\_\_\_\_

### A. GENERAL ADMINISTRATION

1. Adoption of the March 6, 2019, Board of Directors Meeting minutes.
2. Ratification of the March 21, 2019, Ad Hoc Committee Meeting minutes.

### B. EXECUTIVE DIRECTOR'S OFFICE

### C. FINANCIAL MANAGEMENT

1. Acknowledgement Summary of OCHFA's Operating Fund Investments. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2019, operating fund comparison of budget vs. actual; acknowledgement of FY 2019, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.

### D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program.
2. Acknowledgement of the Multi-Family Audit Period February – March 2019.

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

**CONSIDER APPROVAL AND ADOPTION OF THE AUTHORITY'S 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 Board and stated that i-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%
<b>TOTAL Upfront Fees</b>	<b>2.40%</b>	<b>2.15%</b>	<b>1.90%</b>	<b>1.75%</b>	<b>1.65%</b>

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)	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>
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%
<b>TOTAL Upfront Fees</b>	<b>2.40%</b>	<b>1.95%</b>	<b>1.90%</b>	<b>1.75%</b>	<b>1.65%</b>

**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.**

**OTHER BUSINESS**

**UPCOMING NATIONAL & STATE CONFERENCES**

W.D. Morris, Executive Director addressed the Board regarding the upcoming educational conferences: NALHFA: Denver, Colorado – May 2019 (National Association of Local Housing Finance Agencies) and Florida ALHFA: Atlantic Beach, FL – July 2019 (Florida Association of Local Housing Finance Authorities).

**ADJOURNMENT**

There being no further business, Madame Chairman Mercedes McCall, adjourned the meeting at 8:39 a.m.

**ATTEST:**

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**W.D. MORRIS**  
EXECUTIVE DIRECTOR

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**MERCEDES F. McCALL**  
CHAIRMAN

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END OF MINUTES PREPARED BY OLYMPIA ROMAN