

**Housing Finance Authority of  
St. Johns County, Florida  
Regular Meeting  
June 27, 2024  
Minutes**

The Housing Finance Authority of St. Johns County met at 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 3:07 p.m. by Michael O’Donnell, Chair

**Members Present:**

Michael O’Donnell, Chair  
Robert Marshall, Vice Chair  
Linda DeGrande  
Malinda Peeples  
Erick Saks  
Carolina Morrow  
Brian Clark (Via Zoom)

**Others Present:**

Priscilla Howard – Executive Director HFA  
Jenny Harvey, Housing and Community Development Manager, St. Johns County  
Marianne Edmonds, Public Resources Advisory Group  
Molly Clark, Public Resources Advisory Group  
Cameron Hill, RBC Capital Markets  
Bailey Williams, Butler Snow  
Bill Lazar, Housing Partnership

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

**Pledge of Allegiance**

**I. Agenda -**

**Approval of Agenda:** Motion was made by Board Member Saks to approve the agenda; motion seconded by Board Member DeGrande. **Motion passed unanimously.**

**II. Public Comment: None**

**III. Minutes –**

**Approval of Minutes:** Motion was made by Board Member DeGrande to approve the April Board Meeting minutes; motion seconded by Board Member Peeples. **Motion passed unanimously.**

**IV. Financial Report**

- In Mr. O’Connell’s absence, Mrs. Howard stated that the Balance Sheet and Profit and Loss statements for April and May are in the Board Materials.

- Mrs. Howard listed the checks that were written last month - Mrs. Howard, accountant's firm, and legal counsel, and Insurance Payment. Mrs. Howard informed the Board that Mr. O'Connell verified the properties on the insurance policy were owned by the HFA through the property appraisals office.
- Chair O'Donnell asked if the HFA's strategic plan included what could be done with the fees earned by the HFA. Mrs. Howard stated that she is working on a proposal that will be brought back to the Board after the Florida ALHFA Education Conference in July. She stated that the action taken by the Board was to move the funds into an investment account.
- Mrs. Howard also informed the Board that the HFA periodically get public records request through the County staff. The request concerns the record keeping process for the funds we collect. Mr. O'Connell does an excellent job in responding to those requests immediately.

#### V. County's Update

- Ms. Harvey reported on the ZOOM meeting held between County staff, HFA and a developer (Lincoln Avenue) concerning long-standing maintenance issues raised by the tenants. The developer discussed how they plan to rectify the issues. Ms. Harvey stated that she continues to get calls. Some of the calls include concerns over the increase in rents in the middle of their lease. Ms. Harvey is very appreciative of the efforts being made by the developer; however, she is looking forward to when the developer visits the site and address each concern.

Mrs. Howard added that the HFA has not yet funded this development. The Board has only approved an Inducement Resolution. If a Bond Issuance is approved by the HFA and the BOCC and these types of issues remain outstanding, the Board will request their compliance monitors to investigate and require the management company to provide written resolutions as a condition of closing. Mrs. Howard stated that in the meantime, she has been working with the County to get these issues resolved because poor management could become an impediment to getting the Bond Issuance approved through the BOCC.

Board Members Marrow and O'Donnell raised concerns about these issues being unresolved and asked for clarification on where the developer was in the financing process. Mrs. Howard restated that the Board has only approved an Inducement Resolution. The developer still must complete credit underwriting and receive a recommendation from the HFA Financial Advisor to the Board for final approvals. These types of issues will have to be resolved at that point or an acceptable plan put in place.

- Ms. Harvey informed the Board that the County has hire an outside company, to do a Housing Assessment. The company was chosen through an RFQ process and 2 rounds of interview. Ms. Harvey stated that they want the HFA and AHAC to be involved in a meeting scheduled for early July. It is important that they know the people to contact during their assessment.

Chair O'Donnell stated that he hoped the time will be spent on recommendations versus do we have an affordable housing problem.

- Ms. Havery stated that during their interview the company recognized that an affordable housing problem exists. So, the assessment will be about figuring out what the best remedies are and how to get the County in a in a better standing.

## VI. New Business

1. Presentation on Various Financing Structures- Financial Advisor - Marianne Edmonds, Public Resources Advisory Group

Mrs. Edmonds focused her presentation on the financial and economic circumstances from when these kinds of programs started through the environment we live in today and the impact those times had on the structure and success of the programs. Mrs. Edmonds explained the Single-Family Bond Process and how the HFA worked with the private capital market to sell the bonds to get funds that ultimately reaches lenders to issue mortgages to families with a certain household income and based on other parameters set by the HFA. Over time, the process has changed due to some additional program requirements added by the Department of Treasury. Now there is typically a gap between the interest paid to the investor(bond purchaser) and the investment rate paid on the funds invested by the trustee– Negative Arbitrage. This gap must be covered in addition to the Cost of Issuance. This combined fee typically makes the Single-Family Bond Program very expensive for the HFA.

Mrs. Edmonds discussed a current program that may work now- The Lee County Own a Home Program. Originally under the program you could generate enough funds through the sale of mortgage back securities to cover the down payment assistance and the mortgages. Now you can only generate funds to cover the mortgages and therefore you need another source of funds for downpayment assistance in order to participate in the program.

Mrs. Edmonds explained the current FHFA single family program. She said that we must make sure that what we offer brings added value to the community we serve.

Board members asked questions and discussed the possibility of using our funds to loan to small builders to build affordable single-family homes and then repay the HFA when the home is sold. Mrs. Howard stated she will explore this program as well as others and bring her finds back to the Board.

2. Strategic Plan for Lot Management, Vice Chair Robert Marshall and Bill Lazar, Housing Partnership

Vice Chair Marshall reported that one of the lots owned by the HFA is occupied with a City of St. Augustine Lift Station. A recommendation was made to ask the HFA attorney to inquire to the City about the Lift Station. Mr. Lazar stated that the residents in the area did not have to pay for the lift station being built. He stated that it is possible that the lift station exist on the HFA's Scheidel Way Lot as a result of the CWHIP program.

Mrs. Howard explained the purpose of this discussion is for the Board to have a better understanding of where the lots are, if the lots are buildable, if the lots are sellable, and what should be done with the lots. This is important because the HFA is currently paying insurance on the lots.

Aiken Street Lots - Mr. Lazar and Vice Chair Marshall discussed the need for extending the road and extending the sewer lines. They discussed the possibility of selling the lots as a package and possibly working with the CRA to sell the lots to small builders to build affordable housing.

Four Mile Road Lots – Mr. Lazar and Vice Chair Marshall discussed the need for possibly a longer and larger driveway to allow easier access to the main road. They suggested possibly selling the lots to one buyer due to size.

Board Member Marrow suggested that we find out the value of the lots.

Mrs. Howard will try to meet with the West Augustine CRA and then present options for how to move forward.

3. Cancellation of July 25, 2024, Meeting due to FLAHFA Educational Conference

**Approval to Cancel the July Meeting: Motion** was made by Board Member Saks to cancel the July 25 Board Meeting; motion seconded by Board Member Marrow. **Motion passed unanimously.**

**VII. Old Business:**

4. Mrs. Howard reminded the Board about the Florida Association of Local Housing Finance Authorities – Conference July 10-13, 2024 – Casa Monica Hotel- St. Augustine Florida. She stated that the St Johns County HFA is listed as the host
5. Mrs. Howard encourage the Board to complete the Financial Disclosure Forms due by July 1, 2024 to avoid late fees.

**VIII. Board Members Comments**

- Board Member Marrow reported on her meeting with the Industrial Development Authority. Mrs. Howard stated she will ask our attorney to research the law to see if the IDA can use their funds for housing related activities.
- Board Member Marrow asked each Board Member to consider doing more to help the Board grow as a trusted advisor for affordable housing. She stated this requires a commitment in addition to attending the meetings

**Adjourn**

**A motion was made** by Board Member Saks and seconded by Board Member Marshall to adjourn the meeting. **Motion passed unanimously.**

**Meeting Adjourned at 4:47 pm**

**Next Meeting:** The next regular meeting of the HFA will be held on August 22, 2024, in the Kingfisher conference room in the Health & Human Services building, at 200 San Sebastian View, St. Augustine.

Respectfully submitted,

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Secretary