



PUBLIC NOTICE

**Jacksonville Housing Finance Authority
Board Meeting
Wednesday, April 19, 2017
12:00 pm**

**Edward Ball Building
214 N. Hogan Street
8th Floor, Room 825**

Meeting materials are available prior to the meeting at
[http://www.coj.net/departments/independent-boards-and-agencies/jacksonville-housing-finance-authority/board-of-directors-\(1\)/board-packets](http://www.coj.net/departments/independent-boards-and-agencies/jacksonville-housing-finance-authority/board-of-directors-(1)/board-packets)

*To be added to the Jacksonville Housing Finance Authority's mailing list,
please send your contact information to JHFA@coj.net*

Tab 1

Agenda, Minutes & Calendar

JACKSONVILLE HOUSING FINANCE AUTHORITY



Jacksonville Housing Finance Authority Board of Directors Meeting

April 19, 2017 Noon

214 North Hogan Street, 8th Floor

- AGENDA -

- | | |
|--|---------------------|
| Call Meeting to Order | Chair |
| Introduction of New JHFA Board Member | Chair |
| Approval of Minutes of January 18, 2017 Meeting | JHFA Board |
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| I. <u>Public Comments</u> | |
| A. Public Comments | Public |
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 | |
| II. <u>REPORTS</u> | |
| A. "To-Do" List Earlier Meetings | Mark Hendrickson |
| B. Staff and Financial Report | Laura Stagner |
| <ul style="list-style-type: none">Financial StatementConsider Authorizing Staff to Proceed with Contract Extensions For Professional Team | |
| C. Financial Advisor Memo | Mark Hendrickson |
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 | |
| IV. <u>ACTION ITEMS</u> | |
| A. Board Members Declare Conflicts, if any | Board |
| B. Rental Financing | Mark Hendrickson |
| <ul style="list-style-type: none">Consider Fee Structure for Oakwood Villa | |
| C. Single Family | Mark Hendrickson |
| <ul style="list-style-type: none">Consider Increase in Sales Price Limit | |
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 | |
| V. <u>NEW BUSINESS</u> | |
| <ul style="list-style-type: none">Consider Date Change for May JHFA Meeting | Rhonda Bond Collins |
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 | |
| VI. <u>OLD BUSINESS</u> | |
| A. Update on New Multi-Family Financings | Mark Hendrickson |
| B. Update on Single Family Program | Mark Hendrickson |
| C. Update on Existing Rental Properties | Mark Hendrickson |
| <ul style="list-style-type: none">Recent JHFA Activities/DevelopmentsOccupancy Report | |
| D. Update on 2017 Legislative Effort | Mark Hendrickson |
|
 | |
| VII. <u>ADJOURN JHFA MEETING</u> | Chair |

JACKSONVILLE HOUSING FINANCE AUTHORITY



JACKSONVILLE HOUSING FINANCE AUTHORITY

Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

January 18, 2017

January 18, 2017: JHFA Board Meeting

12:00 pm

214 North Hogan Street, 8th Floor

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Tripp Gulliford, Chair

Dee Bumbarger, Member

Ruth Owen, Member

Jeffrey Rosen, Member

PROFESSIONAL STAFF:

Mark Hendrickson, The Hendrickson Company, Financial Advisor

Susan Leigh, Community Concepts Group, Financial Advisor

Priscilla Howard, Community Concepts Group, Financial Advisor

Helen Feinberg, RBC Capital Markets, Investment Banker

Rhonda Bond Collins, Bryant Miller Olive, Bond Counsel

Lawsikia Hodges, City of Jacksonville Office of General Counsel

CITY STAFF:

Laura Stagner

Jane Bouda

Carla Ray

Stephanie Burch, Director of Neighborhoods Department

PUBLIC:

Ryan Hoover, Vestcor

Nigelle Kohn, LISC

Dr. Johnny Gaffney, COJ Mayor's Office

BOARD MEETING

Chairman Gulliford called the meeting to order at 12:02 PM.

Introduction of New Board Member

Chairman Gulliford introduced new Board member Jeffrey Rosen, who shared some of his background.

Minutes

Ms. Owen moved, with a second by Ms. Bumbarger, that the Board approve the minutes of November 30, 2016 Board meeting. The motion passed 4-0.

Public Comments

Mr. Ryan Hoover updated the Board on the status of the Mary Eaves, Lofts at LaVilla, and Lofts on Monroe developments, and on the status of FHFC's selection process for 9% Housing Credits.

"To-Do" List

Mr. Hendrickson presented the "to-do" list from previous meetings.

Chairman Gulliford asked staff to provide Mr. Rosen a binder from the Board's Strategic Planning Retreat, and for the FA's to schedule a meeting with Mr. Rosen.

Ms. Bumbarger inquired as to the legal advice recommending that the Board not visit a development (Cathedral Terrace) as a group. Ms. Hodges stated that it is difficult to accommodate the public and adhere to sunshine laws on a walking tour (e.g., disabled person) and that the public needs to be able to enter a public meeting at any point during the meeting and hear the discussions. For these reasons, the Office of General Counsel and the City's ethics office would recommend individual tours instead of board tours.

Staff Report and Financial Report

Ms. Stagner presented the financial and staff report. She introduced Stephanie Burch, the new Neighborhoods Department Chief, indicated that the final Board slot should be filled by March, and presented the financial reports.

Board Member Conflicts

Chairman Gulliford stated that he had a conflict related to the approval of the Timberwood Trace financing (CBRE's Seattle office represented the seller of the property, with no financial benefit to Mr. Gulliford). The Chairman did not participate in the discussion or vote related to the approval of that transaction.

2016 & 2017 Bond Allocation

Mr. Hendrickson and Ms. Bond-Collins updated the Board on the 2016 and 2017 Bond Allocation. After discussion, Ms. Owen moved, with a second by Ms. Bumbarger, that the Board authorize Bond Counsel to file the necessary paperwork to convert the \$100 million of 2016 carryforward allocation to multi-family. The motion passed 4-0.

Local Government Contribution Loans

Mr. Hendrickson updated the Board on the status of the FHFC review of applications submitted for 9% Housing Credits, noting that due to litigation, the review was being delayed.

Rental Financings

Mr. Hendrickson updated the Board on the pending multi-family bond transactions, noting that the Cathedral Towers development had withdrawn due to the fact that they were awarded 9% Housing Credits and the Oakwood Villa deal had an estimated closing date of April 2017. Mr. Hendrickson and Ms. Bond-Collins updated the Board on the status of the Timberwood Trace development, noting that it was scheduled to close February 1.

After discussion, Ms. Owen moved, with a second by Mr. Rosen, that the Board approve the Bond Approval Resolution prepared by bond counsel, which, among other things, authorizes the issuance of the Timberwood Trace bonds in an amount not to exceed \$20,000,000, and authorizes the execution and delivery of the substantially final documents attached to the resolution. The motion passed 3-0, with Chairman Gulliford abstaining due to a conflict.

Single Family

Mr. Hendrickson and Ms. Feinberg updated the Board on the status of the current program, including the potential to access FHFC and FHLB Atlanta downpayment assistance monies. They noted that the FHFC DPA program had essentially undercut the JHFA's program, due to the fact that their \$15,000 DPA was effectively a grant, while the JHFA's was a loan (borrowers preferred the grant, even though JHFA has a lower mortgage rate and MCC's).

After discussion, Ms. Owen moved, with a second by Ms. Bumbarger, that the Board adopt a motion to approve participation in the FHFC DPA program, subject to the terms and conditions presented to the Board, and to delegate authority the Chair (or Vice Chair if the Chair is unavailable) to execute a document or documents memorializing such approval, and authorizing the Chair to approve any extensions or any ministerial changes to the program or program documents. The motion passed 4-0.

Ms. Owen then moved, with a second by Mr. Rosen, that the Board adopt a motion to approve the amended MOU with FHLB Atlanta, relating to the DPA matching program, and to delegate authority to the Chair (or Vice Chair if the Chair is unavailable) to execute a document or documents memorializing such approval, and authorizing the Chair to approve any additional extensions or any ministerial changes to the program or program documents. The motion passed 4-0.

Ms. Bumbarger asked that information on the FHFC public relations problems be distributed to the Board.

Existing Rental Developments

Mr. Hendrickson updated the Board on the occupancy of existing developments, and on the success that the JHFA has had in the past two years.

Legislative Update

Mr. Hendrickson updated the Board on the Sadowski Education Effort for 2017.

New Business

Mr. Hendrickson asked if Mr. Rosen was an Assistant Secretary, by virtue of the earlier Board action naming all Board members (other than the Chair and Vice-Chair) as Assistant Secretaries. Ms. Hodges stated that the earlier action covered Mr. Rosen, and that he was able to sign JHFA documents as an Assistant Secretary.

Adjournment

On a motion by Ms. Bumbarger, seconded by Ms. Owen, the Board voted 4-0 to adjourn the meeting at 1:02 PM.

JHFA Board Meeting Calendar 2017

JANUARY						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
	7	8	9	10	11	12
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	31					

FEBRUARY						
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MARCH						
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APRIL						
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JUNE						
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JULY						
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AUGUST						
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SEPTEMBER						
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OCTOBER						
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	31					

NOVEMBER						
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DECEMBER						
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JHFA Meeting Locations

8th Floor

FHFC Meeting Dates & Locations

January 29, 2016, Tallahassee City Hall
 March 18, 2016, Tallahassee City Hall
 May 6, 2016 Jacksonville Hyatt Regency
 June 24, 2016, Tampa Airport Marriott

Meeting Rooms Located at 214 North Hogan Street, 8th Floor, Jacksonville, Florida

Staff and Team Conference Call 8:30 AM

August 5, 2016, Tallahassee City Hall
 September 16, 2016 Sandestin Hilton
 October 28, 2016, Tallahassee City Hall
 December 9, 2016, Orlando Airport Hyatt Regency

NALHFA Annual Conference, April 26-29, 2017- Park Central Hotel, San Francisco

Florida ALHFA Conference July 12-15, 2017- One Ocean Hotel, Atlantic Beach

Florida Housing Coalition Conference, September 10-13, 2017- Rosen Centre Hotel, Orlando

Tab 2

To-Do List

JHFA Direction to Team
From September 17, 2015, April 20, 2016 & November 30, 2016 Meetings

Board Direction	Staff	Status
September 17, 2015		
Board withdrew approval of earlier MOU for staffing services with City, and directed that new agreement be brought back to them for review and approval of document and staffing commitments.		Waiting for City.
April 20, 2016		
Cathedral Terrace: (1) Arrange Tour, (2) Get before and after photos, and (3) Determine Economic Impact	FA & Laura	Grand reopening being planned.
January 18, 2017		
Chairman Gulliford asked staff to provide Mr. Rosen a binder from the Board's Strategic Planning Retreat, and for the FA's to schedule a meeting with Mr. Rosen.	FA & Laura	In progress

Tab 3

Financial Report

**JACKSONVILLE HOUSING FINANCE AUTHORITY
COMBINING BALANCE SHEET
MARCH 31, 2017**



DRAFT

JACKSONVILLE HOUSING FINANCE AUTHORITY				
	721	722	723	TOTAL
	Operating	LGSC Funds	Loan Funds	
<u>ASSETS</u>				
Equity in Cash and Investments.....	\$ 3,109,988	\$ 441,073	\$ 3,070,208	\$ 6,621,270
Cash in Escrow and with Fiscal Agents.....	1,500,000	-	348,446	1,848,446
Mortgages Receivable.....	6,934,236	7,389,153	1,289,328	15,612,717
Allowance for Doubtful Accounts.....	(1,379,746)	-	-	(1,379,746)
Other Assets.....	-	-	-	-
TOTAL ASSETS.....	\$ 10,164,478	\$ 7,830,227	\$ 4,707,982	\$ 22,702,687
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts Payable and Accrued Liabilities.....	\$ 2,183	\$ -	\$ -	\$ 2,183
Deposits.....	51,225	-	-	51,225
Deferred Revenue.....	-	-	-	-
Loan Commitments.....	-	-	-	-
TOTAL LIABILITIES.....	\$ 53,408	\$ -	\$ -	\$ 53,408
FUND BALANCES:				
Nonspendable Fund Balance.....	\$ 5,554,490	\$ 7,389,153	\$ 1,289,328	\$ 14,232,971
Restricted Fund Balance.....	1,502,492	-	348,446	1,850,938
Committed Fund Balance.....	-	-	-	-
Assigned Fund Balance.....	-	-	-	-
Unassigned Fund Balance.....	\$ 2,933,461	\$ 433,094	\$ 3,341,501	\$ 6,708,055
Current Year Operating Excess (Deficit).....	120,628	7,979	(271,292)	(142,685)
Total Fund Balances.....	\$ 10,111,070	\$ 7,830,227	\$ 4,707,982	\$ 22,649,279
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 10,164,478	\$ 7,830,227	\$ 4,707,982	\$ 22,702,687

Outstanding Loan Commitments (Subfund 723)

Mary Leves Senior (Closed / Unfunded)	300,000
Lofts at LaVilla (Closed / Unfunded)	265,000
Houston Street Manor (Closed / Unfunded)	115,000
Lofts at LaVilla Monroe (Pending / Primary)	303,750
Leah Meadows (Pending / Backup)	115,000
\$	1,098,750

DRAFT



JACKSONVILLE HOUSING FINANCE AUTHORITY
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017 (AS OF MARCH 31, 2017)



DRAFT

	JACKSONVILLE HOUSING FINANCE AUTHORITY			
	721	722	723	TOTAL
	Operating	LGSC Funds	Loan Funds	
REVENUE:				
From Bond Sources.....	\$ 103,352	\$ -	\$ 710,578	\$ 813,931
From Mortgage Servicing.....	15,828	-	-	15,828
From Investment & Interest Income.....	30,800	7,979	18,130	56,909
From Other Sources.....	57,000	-	-	57,000
Total Revenue (Excluding Transfers).....	\$ 206,980	\$ 7,979	\$ 728,708	\$ 943,667
Transfers from Fund Balance/Intra-fund.....	-	-	-	-
Total Revenue (Including Transfers).....	\$ 206,980	\$ 7,979	\$ 728,708	\$ 943,667
EXPENDITURES:				
For Program Uses.....	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
For Personnel Expenses.....	-	-	-	-
For Operating Expenses.....	86,352	-	-	86,352
For Other Expenses.....	-	-	-	-
Total Expenditures.....	\$ 86,352	\$ -	\$ 1,000,000	\$ 1,086,352
ENCUMBRANCES:				
For Program Uses.....	\$ -	\$ -	\$ -	\$ -
For Personnel Expenses.....	-	-	-	-
For Operating Expenses.....	2,492	-	-	2,492
For Other Expenses.....	-	-	-	-
Total Encumbrances.....	\$ 2,492	\$ -	\$ -	\$ 2,492
EXCESS OF REVENUE OVER (UNDER)				
EXPENDITURES AND ENCUMBRANCES.....	\$ 118,137	\$ 7,979	\$ (271,292)	\$ (145,176)

Tab 4

Financial Advisor's Memo

THE HENDRICKSON COMPANY &
THE COMMUNITY CONCEPTS GROUP

To: Board of Directors, Jacksonville Housing Finance Authority
From: Mark Hendrickson, Susan Leigh and Priscilla Howard, Financial Advisors
Subject: April 19, 2017 JHFA Meeting
Date: April 11, 2017

I. **2017 Bond Allocation—Informational**

1. The 2017 allocation is \$45,010,604, an increase of \$917,642 (2.1%) over 2016:

Year	Single Family Amount	Multifamily Amount	Unallocated	Expiration
2017			\$44,092,962	
2016		\$132,600,000		December 30, 2019
2015	\$ 80,250,000			Carryforward available until December 31, 2018
TOTAL	\$ 80,250,000	\$132,600,000	\$44,092,962	

2. **Recommendation:** None.

II. **Local Government Contribution Loans—Informational**

- For the FHFC RFA for large county 9% Housing Credits (RFA 2016-113), the HFA opted to exercise its right to select a development for preference, and also to select another development as a back-up (giving it the lower scoring minimum local government contribution).
- The Lofts at LaVilla on Monroe was selected for priority funding, and the Leah Gardens development was selected as the backup. Both applied for funding. Additionally, an application for Anders Park (an existing Jacksonville Housing Authority development) was submitted by a joint venture of JHA and a Missouri based for-profit developer.
- A legal challenge to the RFA was filed, with FHFC prevailing. As a result, scoring has begun, with anticipated results in late April.
- If the Lofts at LaVilla meets threshold, it will be selected for funding.
- Recommendation:** None.

III. Rental Financings—Action

1. **Oakwood Villa**, The transaction (along with many others) lost their equity commitment. A new equity commitment has been obtained, but at a reduced price. The price reduction was from \$1.08 to \$0.94, or from \$8,961,136 to \$7,663,000—a reduction of \$1,298,136 of equity).
2. This transaction is another that pays off the bonds after the construction period—meaning no ongoing HFA fee. The team has worked to develop an ongoing strategy for a fair upfront fee to be paid in lieu of the ongoing fee—mindful of the FHFC fee levels and of what a developer can afford. For this transaction, we are recommending a .75% fee, to be paid at bond redemption (this is in addition to the closing fee of .25%) The anticipated bond amount is \$12.7 million.
3. Ms. Leigh and Ms. Howard have recused themselves from any analysis/participation in this deal.
4. **Timberwood Trace** closed on February 1. The final Sources & Uses:

	Bonds	Tax Credit Equity	Deferred Fee	Total
Rehabilitation		\$ 6,880,459		\$ 6,880,459
Financial Cost		\$ 1,368,299		\$ 1,368,299
General Development Costs		\$ 835,982		\$ 835,982
Developer Fee		\$ 28,467	\$4,424,933	\$ 4,453,400
Building Acquisition	\$16,000,000	\$ 200,000		\$16,200,000
Land Acquisition		\$ 1,500,000		\$ 1,500,000
TOTAL	\$16,000,000	\$10,813,207	\$4,424,933	\$31,238,140

5. A NOFA for 2017 allocation was published, with an application due date of January 6. No applications were received. The NOFA is now "open" to applications on a first-received first-evaluated basis.
6. **Recommendation:** Approve proposed fee structure for Oakwood Villa.

	Oakwood Villa
Developer/ Location	Southport (David Page) Tampa, Florida
Development Location	8201 Kona Avenue Arlington area
Type	Acquisition & Substantial Rehabilitation Family
Bond Request	\$12,70,000
TEFRA Hearing	10-11-16
TEFRA Approval	11-22-16
Preliminary Agreement Expiration	10-1-17
Credit Enhancement/ Housing Equity	Cash Collateralized Prudential MAP Lender for Permanent R4

	Oakwood Villa
Credit Underwriter	First Housing
Anticipated Closing Date	Early June 2017
Units	200
Permanent 1st Mortgage Estimate	\$14,750,000 (non-bond) \$69,750
SAIL, ELI, HOME (FHFC)	\$0
City of Jacksonville	\$0
JHFA Loan	\$0
Housing Credits	\$7,663,000 \$38,315/unit
Total Development Cost	\$24,541,199
TDC per unit	\$122,706
Land Cost	\$1,000,000 \$5,000/unit
Acquisition of Building Cost	\$10,400,000 \$52,000/unit
Hard Construction or Rehabilitation Cost	\$6,300,000 \$41.56/square foot \$31,500/unit
Set Aside Period	50 years
Set Aside Levels	100%<60% AMI (all Section 8)

IV. 2013 Single Family Loan Program—Action

1. The current program guidelines:

- 1st mortgage: 3.875%, 1% origination fee, FHA, VA, RD & Freddie Mac loans
- First time homebuyers.
- Income and Sales Price limits identical to bond issue.
- Minimum credit score of 640
- Interest rate set by the HFA of Hillsborough County, with rate set at level that is anticipated to generate a premium when sold.
- Loans purchased by the master servicer (US Bank) and converted into MBS.
- MBS are purchased by the HFA's, with each HFA funding their pro rata share of the cost.
- MBS are sold, with each HFA keeping its pro rata share of any net premium or loss realized from the sale of the MBS.
- Down payment assistance: \$15,000 second mortgage, due on sale of property, or maturity of first mortgage
- Mortgage Credit Certificates providing homebuyers a credit in the amount of 50% of mortgage interest paid annually (up to a \$2,000 annually).

2. DPA: \$88,796 was received from FHFC. The JHFA has funded another \$681,010. The JHFA set the DPA amount at \$15,000 in August 2016. Additionally, \$360,000 of SHIP is being allocated by the City for use as DPA by the JHFA.

3. FHFC DPA and FHLB Atlanta Program:

- The Federal Home Loan Bank of Atlanta is launching a \$3 million program which will fund \$1 of DPA for every \$2 funded by the HFA. The FHLB loan would be subordinate and forgivable. However, the lender must be a member of FHLB Atlanta. New lenders have signed up for the program and are being trained.
- The FHFC DPA Program is now available. It provides \$15,000 (forgivable loan). The final MOU is being reviewed by counsel and the financial team prior to execution.

4. Available DPA Funds: \$850,000 total:

- \$250,000 authorized by the City Council
- At the May 2015 meeting, the Board (using the power granted under the new legislation) increased the amount of available DPA funds by \$200,000.
- In June 2015, the Board authorized the use of an additional \$400,000

5. Rate Change: The interest rate was decreased from 4.25% to 3.875% in February 2016.

6. Program Demographics:

Sales Price/ # Loans	Loan Amount	Borrower Income	Borrower Age/ Gender	Borrower Family Size	Housing Type	Borrower Ethnicity	MCC Amount
\$115,242 95 loans +11 loans	\$111,063	\$41,821	35.0 40% female	2.3	SF Detached 86% Condo: 0% Townhouse: 14% Existing: 93% New: 7%	Black: 26% White: 39% Hispanic: 16% Mixed: 0% Asian: 14% Other: 5%	\$4,544.127 \$54,096.75 avg. 84 buyers

7. Lender Originations: SWBC (59), Academy (19), DHI (4), Fairway (7), Prime (4), Network Funding (1), and Open (1).

8. MCC's: The HFA converted \$120 million of bond authority into \$30 million of MCC's. Tranche 1 (\$5.25 million) expired at the end of 2015 with \$1,109,274 not utilized. Tranche 2 (\$10.0 million) expires at the end of 2016, with \$9,668,903 not utilized. Tranche 3 (\$14.75 million) expires at the end of 2018. The average JHFA borrower uses \$53,877 of MCC's.

9. MCC Program: What Does it Mean to Home Buyer: With the HFA's average loan of \$105,000 and a 3.875%/30 year mortgage, interest payments in Year 1 = \$4,035. With the 50% MCC rate that the HFA has chosen, the homebuyer would be able to claim a tax credit of the full \$2,000 per year maximum allowed by federal law (slightly declining as more of monthly payment is principal) until the home buyers sells or moves from the property. The \$2,000 of tax savings lowers the "functional" mortgage rate for the program from 3.875% to less than 1%.

10. **MCC Program: Outreach to Homeowners:** HFA homebuyers are given information during the application process on MCC's, and are sent the actual document shortly after closing. To help homeowners with their MCC's, eHousing mailed a new MCC to all homebuyers and has opened an MCC hotline.
11. **MBS Sales:** The HFA has executed 38 sales, with net revenues of \$306,551 (net meaning after payments to RBC and counsel) coming to JHFA.
12. **Hedges & Exposure:** Hillsborough County has seven hedges totaling \$6.3 million in place. With full delivery, the projected net revenues are estimated at 108,660 (shared pro rata with counties based upon originations). The unhedged pipeline as of April 4 is \$0 (changes daily).
13. **Size of Program:** The initial legislation wherein City Council authorized the program limited it to no more than \$1.5 million of loans in pipeline at any time. In June, the Board changed the authorization to \$1.5 million of unhedged loans. The program total loans originated or in progress is \$8.1 million.
14. **Sales Price Limit:** The current JHFA established sales price limit is \$199,000—although federal law would permit a much higher limit. The \$199,000 limit was adopted because very few of the borrowers in the program can afford homes with significantly higher sales prices, and there is a political downside to having very high sales price limits (program can be perceived as providing assistance for people to buy a home well “beyond the average”). However, the builder product in Jacksonville has sales prices above our current limits, and feedback from lenders has been received. Of note, FHFC has significantly higher sales price limits and lenders move these loans into that program. Helen Feinberg of RBC writes:

Comments from lenders: Fairway Independent Mortgage Corp and Academy Mortgage recently requested that the Jacksonville HFA increase its maximum purchase price for Mortgage Credit Certificates, Down Payment Assistance and its first time homebuyer First Mortgage Program. With respect to Fairway, a buyer with a new construction home sales price of \$230,000 was unable to participate in JHFA's program because the purchase price was over the \$199,000 allowable acquisition price limit. With respect to Academy Mortgage, a Veteran combining the Down Payment Assistance and MCC in the Jacksonville program was not able to qualify based on a \$240,000 home price. Both borrowers likely proceeded to reserve a loan under the FHFC 1st Time Homebuyer Program, which has a \$298,192 maximum acquisition limit and a limit of \$364,457 if the home is located in a federally designated target area.

Inability to use First Time Homebuyer Program to fund new construction homes in Jacksonville: Builders in the Jacksonville area have expressed to lenders that the prices of their new homes do not allow loans to be financed under the JHFA program. With respect to new construction homes in the first time homebuyer price range, it appears the prices fall in the range of high \$190k's to approximately \$250k.

IRS Revised 2017 Purchase Price Limits: The Internal Revenue Service (IRS) last week released [Revenue Procedure 2017-27](#), which establishes the nationwide average purchase price limits and average area purchase price safe harbors for the Mortgage Revenue Bond (MRB) and Mortgage Credit Certificate (MCC) programs. With respect to Duval County, the 2017 average area purchase

price was \$337,647 for a one unit dwelling. This translates to a new maximum purchase limit of \$303,882.

Recommendation: Increase maximum purchase price to a minimum level of \$250,000 to broaden the availability of eligible homes for purchase under the JHFA program.

15. **Recommendation:** Consider increase in sale price limit.

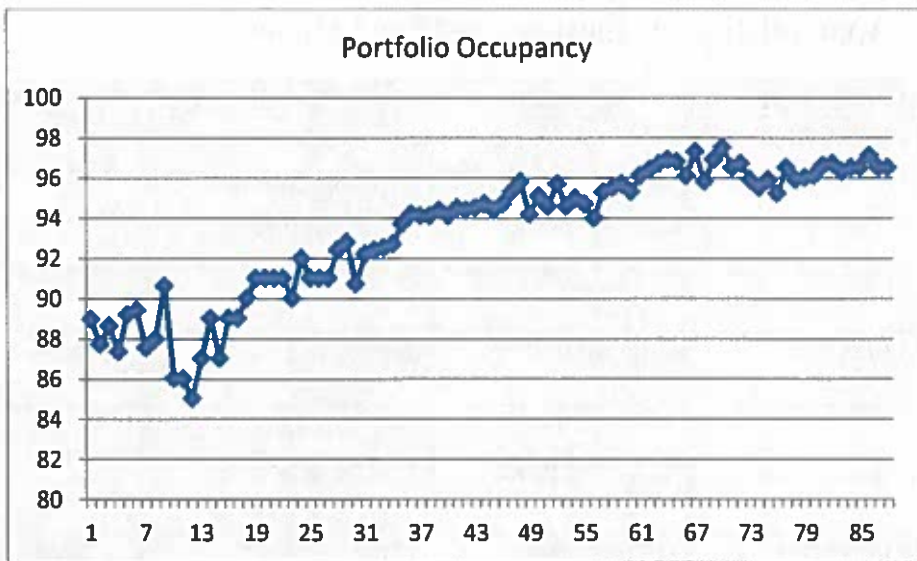
V. Update on Existing Rental Properties—Informational

1. JHFA marketed its bonds, JHFA loans, and JHFA local government contributions to developers. As a result, the following has been accomplished in the last three years:

Development	Location	Building Type Demographic	Units	TDC	JHFA Loan
Peyton Ridge	1800 Corporate Square Blvd	3-Story Elevator NC Elderly	120	\$16,894,456	\$115,000
Caroline Oaks	North Main, east side just south of E. 43 rd Street	3-Story Elevator NC Elderly	82	\$14,146,603	\$5.6 million bonds \$2.2 million JHFA loan
Cathedral Terrace	701 N. Ocean St.	High Rise Rehab Elderly	240	\$25,604,057	\$12.5 million bonds \$1.0 million JHFA loan
Mt. Carmel Gardens	5746 Mt. Carmel Terrace	High Rise Rehab Elderly	207	\$21,631,853	\$9.75 million bonds
Mary Eaves	East of intersection of Myrtle Ave. N. & West 16 th St.	Mid-Rise NC Elderly	80	\$13,325,568	\$300,000
Lofts at LaVilla	906 West Bay Street	Mid-Rise NC Family	130	\$23,388,174	\$265,000
Houston Street Manor	615 Houston Street	Mid-Rise NC Elderly	72	\$21,185,213	\$115,000
Timberwood Trace	12250 Atlantic Boulevard	Garden Rehab Family	224	\$31,238,140	\$16.0 million bonds
TOTAL			1,155	\$167,414,064	\$34.1 million bonds \$3.995 million JHFA loans

2. **Occupancy:** The current portfolio occupancy using a weighted average is 96.5% (-0.0%).

3. **Recommendation:** None.



VI. 2017 Legislative Update—Informational

1. Meetings have been held in with, the Governor's Chief of Staff, the House Speaker, the Appropriations Chair in the Senate, and key Appropriations Committee staff.
2. The Doc Stamp Revenue Estimate was updated in March, and shows that \$295.9 million of new money will be available for appropriation in FY 17-18. The division is \$207.36 million in the Local Government Housing Trust Fund (SHIP) and \$88.54 million in the State Housing Trust Fund (SAIL and other FHFC programs).
3. If full funding was approved, Jacksonville would receive \$9,237,070 of SHIP.
4. The House and Senate released their budget proposals. When the budget goes to Conference, housing funding levels will be negotiated.

Appropriation of Housing Trust Fund Monies

	GOVERNOR	SENATE	HOUSE	FINAL BUDGET
SAIL	\$ 10,000,000	In Proviso		
Housing for Developmentally Disabled		\$10,000,000 in recurring budget	\$10,000,000 in recurring budget	
FHFC Line 2225		\$27,500,000		
SHIP Line 2226	\$ 34,000,000	\$120,900,000	\$30,000,000	
Homeless		\$4,000,000 in recurring budget	\$4,000,000 in recurring budget	
Training		In proviso		
TOTAL HOUSING	\$ 44,000,000	\$162,400,000	\$44,000,000	
SHTF SWEEP	\$ 64,000,000	\$50,000,000	\$ 67,000,000	
LGHTF SWEEP	\$160,000,000	\$80,000,000	\$157,000,000	
TOTAL SWEEP Section 61 House & 71 Senate	\$224,000,000	\$130,000,000	\$224,000,000	
Unallocated SHTF	\$14,540,000	\$1,040,000	\$11,540,000	
Unallocated LGHTF	\$13,360,000	\$2,460,000	\$16,360,000	

Senate Proviso/Back of the Bill for FHFC

\$10 million for person with developmental disabilities

Acknowledges that \$111.0 million of Guarantee Fund monies to be spent on SAIL. This section 67 of budget is not required, as FHFC can expend this money without appropriation.

Requires at least 50% of funds to be spent on SAIL.

\$40 million of SAIL/Guarantee Fund monies for Workforce Housing

\$100,000 for Affordable Housing Workgroup

Senate Proviso for SHIP

20% for Special Needs

Including the \$4 million in recurring, a total of \$5 million for the homeless through DCF

\$200,000 for DEO homeless training

\$500,000 for Catalyst

\$75,000 to Florida Supportive Housing Coalition for Special Needs and Homeless Training

House Back of the Bill for SAIL

\$75.25 million of SAIL funding from Guarantee Fund (Section 55)

House Proviso for SHIP

Additional \$35.75 million of SHIP funding from Guarantee Fund (Section 55)

\$200,000 for DEO homeless training

Additional Homeless Funding				
Item	Amount	Line Item	Source	Agency
Challenge Grants	\$5,000,000 Senate \$3,800,000 House	342	Grants & Donations TF— comes from SHIP	DCF
Federal Emergency Shelter Grant Program	\$6,203,876 in both House & Senate	343	Federal Grants TF & Welfare Transition TF	DCF
Homeless Housing Assistance Grants	\$4,075,000 Senate \$2,840,800 House	344	GR	DCF
Homeless Housing Assistance Grants: Senate Proviso	\$100,000 from line 344 for Love in Action & Hope Homeless Shelter			DCF
Homeless Housing Assistance Grants: Senate Proviso	\$500,000 from line 344 for Comprehensive Emergency Services Center serving Leon, Franklin and Gadsden Counties			DCF
Homeless Housing Assistance Grants: House Proviso	\$140,800 from line item 344 for Citrus Health Network Safe Haven\ for Homeless Youth			
Pasco County Homeless Navigation Center: Senate Proviso	\$1,000,000	358A	GR	DCF
Rapid Rehousing Program: Senate Proviso	\$500,000	2224M	SEED	DEO
Tarpon Springs Hope Center: Senate Proviso	\$200,000	2224M	SEED	DEO
Tampa-Hillsborough Community Housing Solutions Center: Senate Proviso	\$1,000,000	2224M	SEED	DEO

Other Member Projects				
Item	Amount	Line Item	Source	Agency
Neighborworks Florida Collaborative: Senate Proviso	\$500,000	2224M	SEED	DEO
Building Homes for Heroes: Senate Proviso	\$1,000,000	2226L	SEED	DEO
Building Homes for Heroes: House Proviso	\$1,000,000	2224M	General Revenue	DEO

- One-pager documents for each legislator have been created, showing statewide impact of full funding, SHIP funding for their county or counties, and with talking points. These are excellent pieces to use in meetings with legislators. They can be found at www.sadowskicoalition.com

6. Editorials have been written by the newspapers in Orlando, Ft. Lauderdale, Jacksonville, Bradenton, and Naples. A press conference calling for full funding was held on March 2, with excellent press coverage.
7. **Recommendation:** None.

Tab 5

Occupancy Report

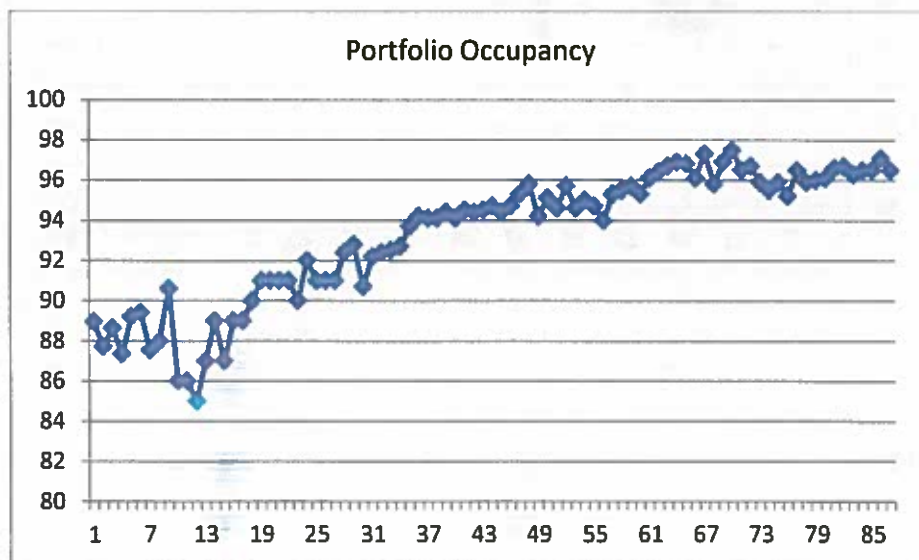
OCCUPANCY LEVELS

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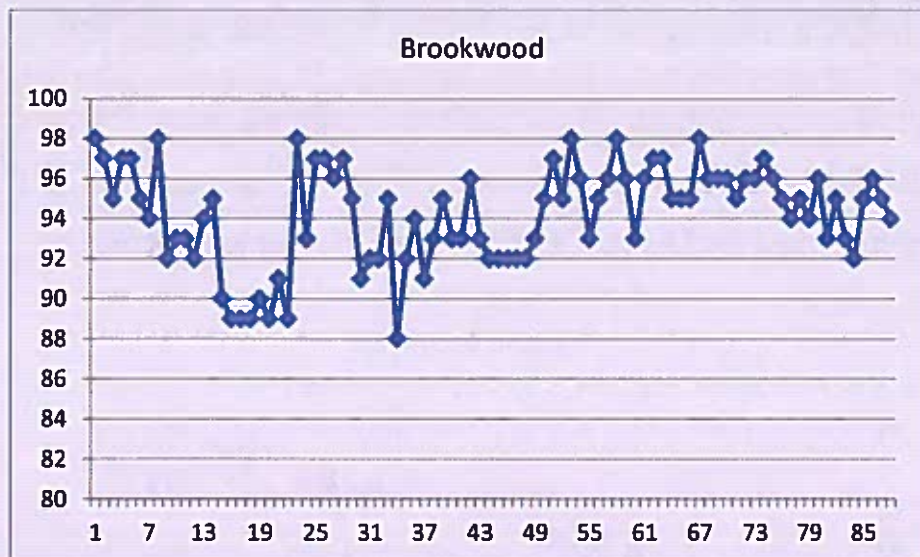
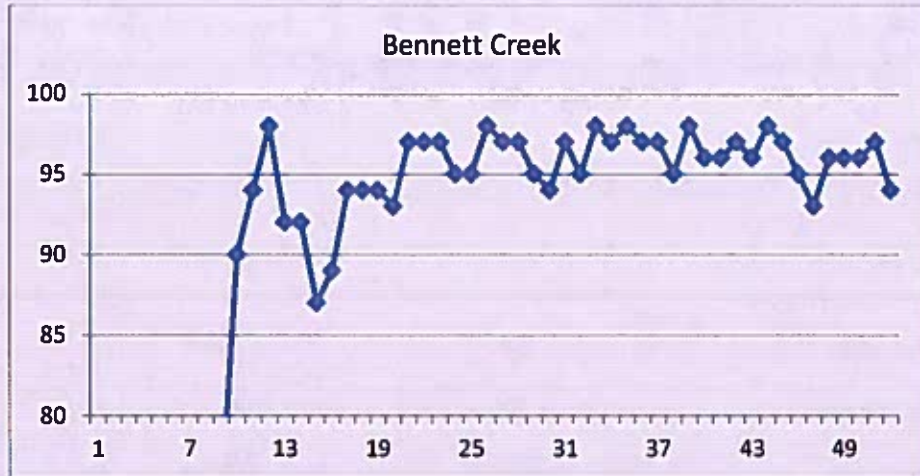
Active Rental Developments—Bond Financed by DCHFA or JHFA

Development & Address	Developer	Original Bonds & Issue Date	Units & Occupancy
Bennett Creek 3585 Salisbury Drive 32216	Richman	\$21,600,000 12-21-10	264 94% (-3%)
Brookwood Forest Apartments 1251 Fromage Way 32225	CED	\$10,000,000 2005	168 94% (-1%)
Camri Green Apartments 3820 Losco Road 32257	Vestcor	\$9,200,000 2003	184 98% (+0%)
Caroline Oaks	Vestcor	\$5,600,000 4-22-15	82 100% (+2%)
Cathedral Terrace	Blue Sky	\$12,500,000 1-21-16	200 Rolling Rehab 95%
Christine Cove 3730 Soutel Dr 32208	Carlisle	\$6,000,000 2006	96 100% (+1%)
Hartwood AKA Hampton Ridge 11501 Harts Road 32218	Southport	\$5,840,000 2006	110 95% (+1%)
Lindsey Terrace Apartments 6455 Argyle Forest Blvd. 32244	Vestcor	\$12,645,000 2001	336 97% (+1%)
Timuquana Park Apartments 5615 Seaboard Ave. 32244	Southport	\$4,300,000 2004	100 100% (+0%)

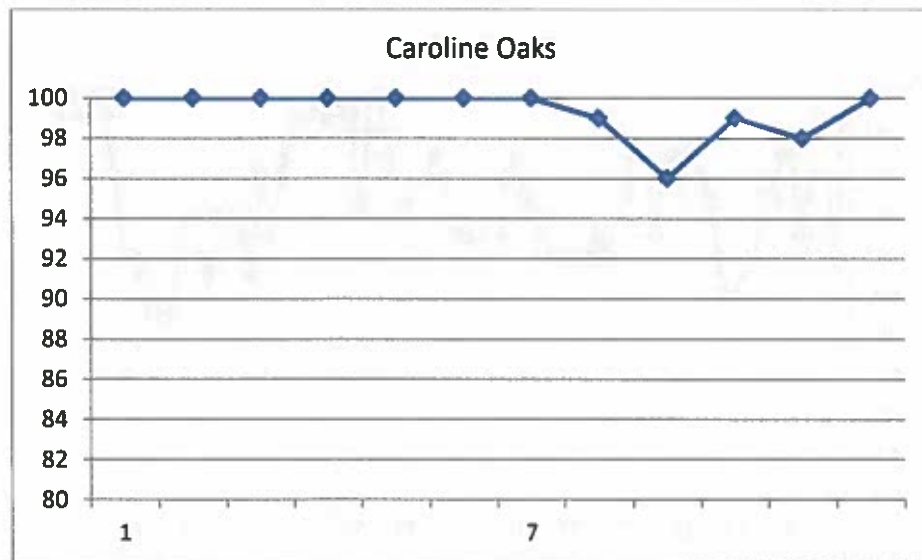
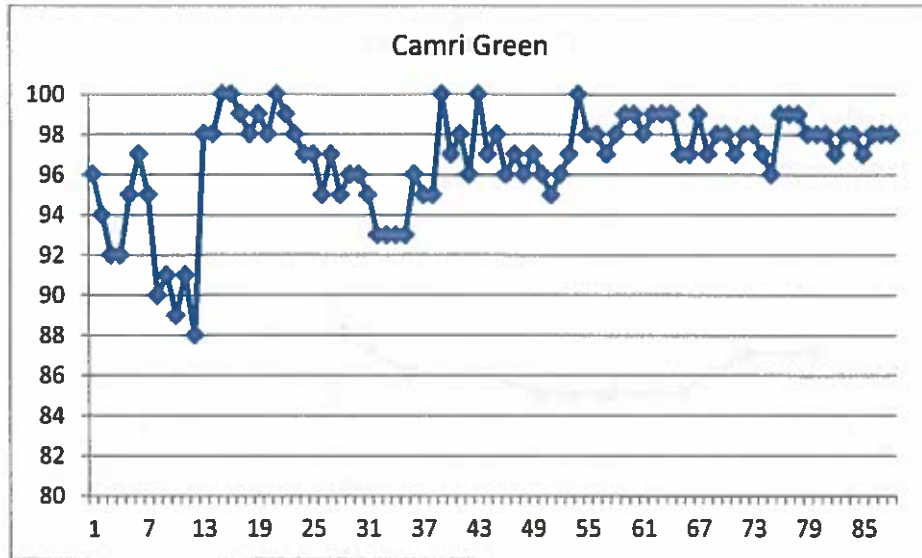
88 Month Occupancy Levels—Entire Portfolio Average Occupancy



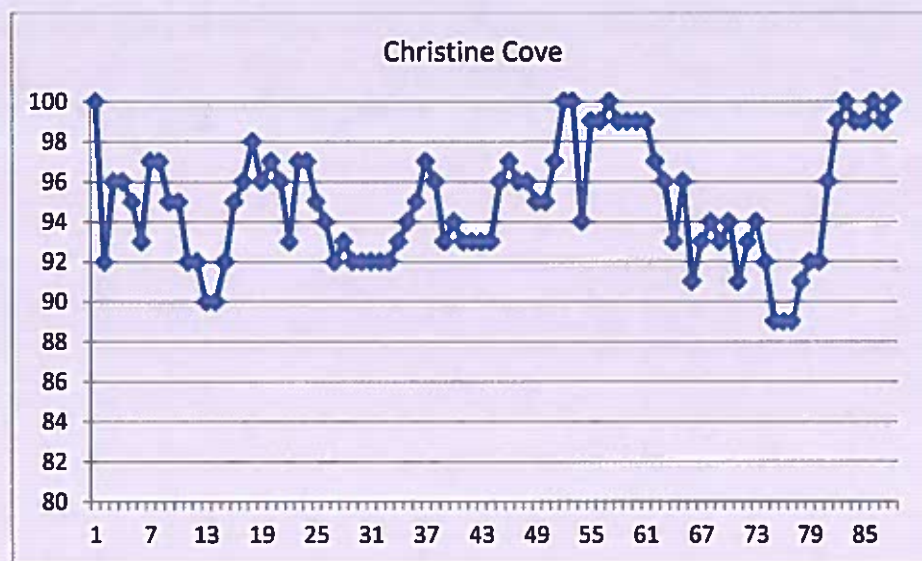
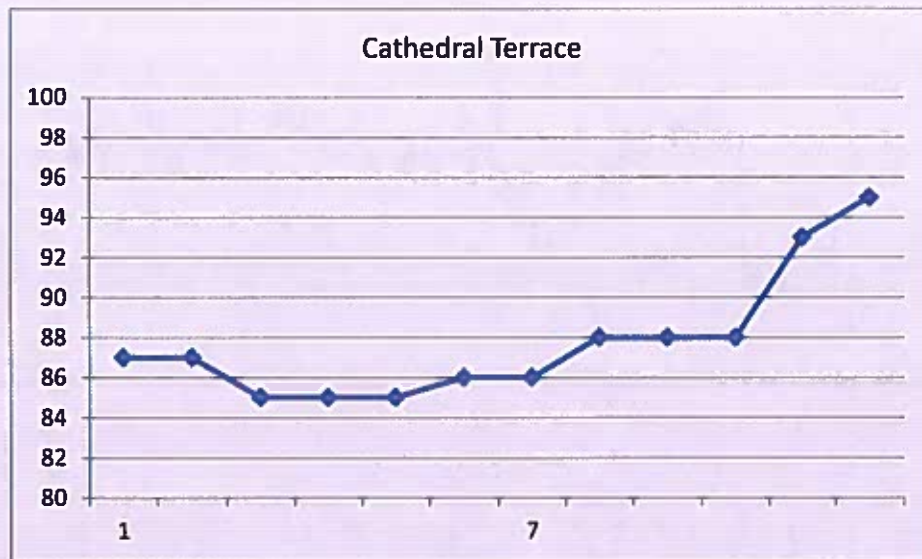
Average Occupancy by Development



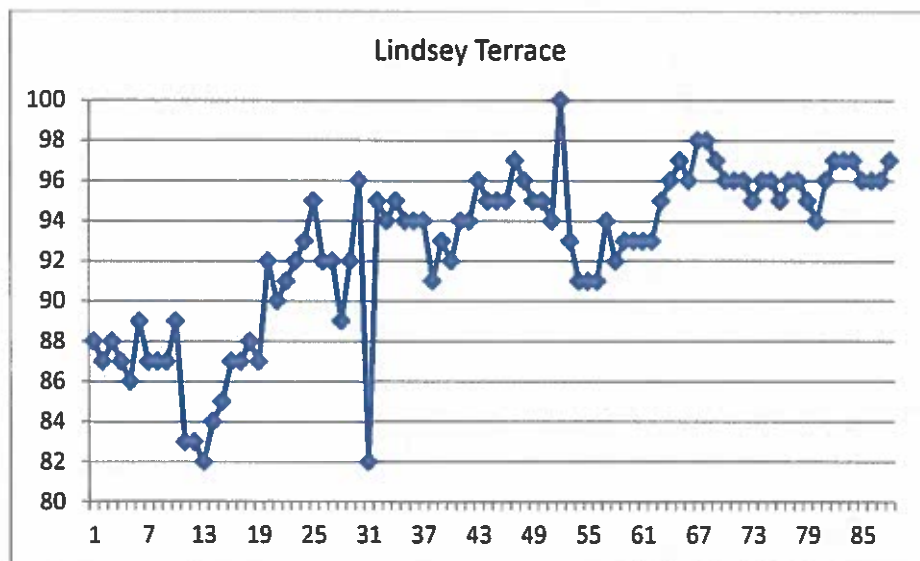
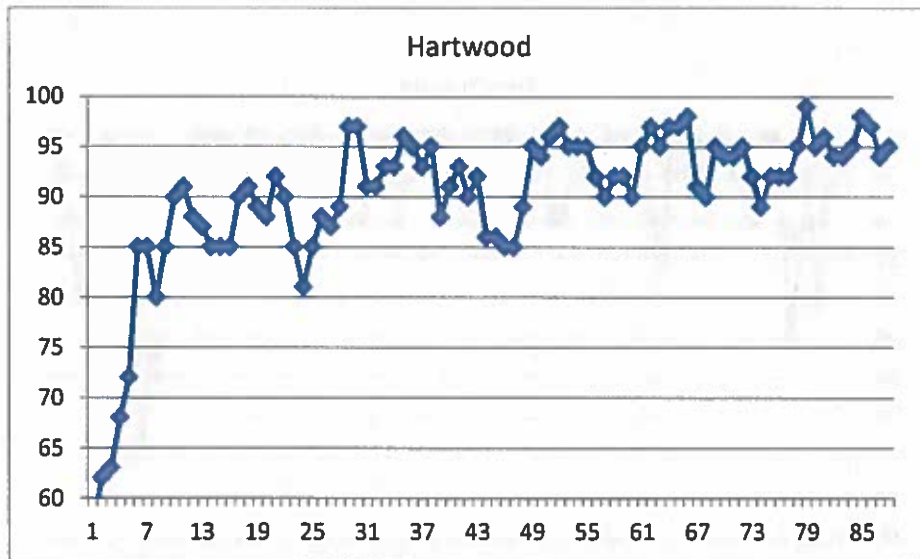
Average Occupancy by Development



Average Occupancy by Development



Average Occupancy by Development



Average Occupancy by Development

