

**MINUTES OF THE MEETING OF
THE MEMBERS OF THE
OSCEOLA COUNTY HOUSING FINANCE AUTHORITY**

July 27, 2023

The meeting of the Osceola County Housing Finance Authority was held at the Hart Memorial Library, Roseada Room, 211 E. Dakin Avenue, Kissimmee, Florida on the 27th day of July, 2023 at 1:00 p.m.

The following members were present:

Duane “Rocky” Owen, Chairman
Karen Giel, Vice Chair
Jorge Figueroa, Assistant Secretary
Jacob Dorn, Assistant Secretary

Also present were:

George Flint – GMS – CF, LLC
Jan Carpenter, Esq. - Latham, Luna, Eden & Beaudine, LLP
Jeanne Adams - Latham, Luna, Eden & Beaudine, LLP
Scott Culp – Atlantic Housing
Josh Scribner – Seltzer Management (by phone)

ITEM #1

Call to Order

Mr. Owen called the meeting to order at 1:00 PM. Four Board Members were physically present, constituting a quorum.

ITEM #2

Public Comment Period

No members of the public were present at the meeting.

ITEM #3

Approval of Minutes

A. January 17, 2023 Board Meeting

Mr. Owen asked if there were any questions, corrections, or notations?

On MOTION by Mr. Owen, seconded by Mr. Dorn, with all in favor, the minutes of the January 17, 2023 Board meeting were approved, as presented.

ITEM #4**Consideration of Applications for New Developments****A. The Venue at Hickory Tree – St. Cloud, Osceola County****i. Consideration of Inducement Resolution 2023-03**

Ms. Carpenter stated there were three applications all submitted by Scott Culp of Atlantic housing and that Scott is on the line on Zoom here to answer your questions. Just from a process standpoint, there is a resolution for each of the developments the resolution would be what we call our initial resolution. It's the intent to pursue the issuance of not to exceed the dollar amount. For the first one, it would be The Venue at Hickory Tree in St. Cloud, Osceola County, inducement resolution 2023-03. As the HFA is intended to pursue the issuance of not to exceed 15,500,000, and tax-exempt bond obligations for the acquisition and construction of multifamily apartment project. The borrower name is The Venue at Hickory Tree Partners Limited which is an affiliate of Atlantic Housing.

Mr. Figueroa joined the meeting at this time.

Mr. Culp from Atlantic Housing provided an overview of the legislative emphasis on "missing middle" and attainable housing for those with incomes between 60% and 120% of the area median income (AMI). He highlighted Live Local's focus on this demographic in Florida housing programs. Mr. Culp discussed The Venue at Hickory Tree, a senior's community in St. Cloud for those aged 55 and over, emphasizing its strategic location and the use of Live Local Act provisions to expedite the development process. The application for tax-exempt bonds was submitted under federal minimums, allowing flexibility for potential Live Local funding or 4% credits. Board members sought clarification on this approach.

Mr. Owen expressed strong opposition to the proposed project due to concerns about its location. He cited traffic issues and safety concerns, particularly the challenge of making left turns near the 7-Eleven entry point. Mr. Owen emphasized the potential danger for seniors and stressed that the project, although appreciated, is in the wrong location. He stated he couldn't vote in favor until you bring a reevaluation and traffic studies to how you're going to ameliorate this concern.

Mr. Culp acknowledged and appreciated Mr. Owen's concerns about the project's location, particularly in relation to traffic issues. He highlighted that during the conceptual site planning, they recognized the joint driveway with 7-Eleven is not an ideal entrance for a senior community. Mr. Culp expressed agreement with the need to move the entrance farther south and create a full median opening, subject to traffic studies confirming its suitability for the seniors' development. He

emphasized the early stage of the project and expressed a willingness to address these concerns during the design and traffic impact study phases.

Mr. Culp requested permission to proceed with the project at the early inducement stage, emphasizing that key design and traffic impact documentation would be presented before the final report. He acknowledged Mr. Owen's concerns and expressed appreciation for his input, leaving the decision to proceed to the discretion of the Board.

Mr. Owen asked if that could come back to the Board before they make the decision with the revised plan.

Mr. Culp suggested consulting with Jan for guidance on whether the current stage is appropriate for the inducement and expressed a willingness to provide additional details as the project moves forward.

Ms. Carpenter clarified that the inducement resolution is crucial for tax purposes, as it initiates the timeframe during which development costs can be considered valid for bond use. She acknowledged Mr. Culp's need for the inducement to advance the project's plans. Ms. Carpenter proposed a suggestion to induce it but possibly withhold full credit underwriting approval based on timing considerations, offering a potential compromise for the Board to consider.

Mr. Culp agreed with Ms. Carpenter's suggestion, stating that it aligns with their timeline for a bond application in January of the next year and a potential closing in the same year. He proposed having a preliminary underwriting review, including design documents, presented to the Board before advancing to the final underwriting stage. This approach would ensure the Board's involvement in the process and provide an opportunity for feedback before moving forward.

Mr. Dorn asked about the seller of the property owning any adjacent property and the potential of an easement for access. Mr. Culp responded the seller does not have any adjacent property.

Ms. Giel expressed concern about the location for seniors.

Discussion ensued.

Ms. Carpenter stated you could amend the resolution to have an inducement resolution with a qualification that it would only go to a preliminary underwriting to come back before the Board before we finalize any underwriting report.

On MOTION by Mr. Dorn, seconded by Ms. Giel, with all in favor, the motion on the floor was amended to approve Inducement Resolution 2023-03 with a qualification that it would only go to a preliminary underwriting to come back before the Board before finalizing any underwriting report.

On MOTION by Mr. Owen, seconded by Mr. Figueroa, with all in favor, Akerman was appointed as Bond Counsel, RBC as the Underwriter, and First Housing as Credit Underwriter.

B. Loma Vista Living – Unincorporated Seminole County
i. Consideration of Inducement Resolution 2023-04

Ms. Carpenter presented Loma Vista Living in incorporated Seminole County and Riverbend Landings in the City of Sanford and Seminole County. These projects involve the HFA going outside its jurisdiction to assist counties without their own HFA, such as Seminole County. Ms. Carpenter explained that an inducement resolution from the Board is needed, followed by staff authorization to approach the county commission. Approval from both the county commission and Seminole County would then be required for these transactions to proceed.

Mr. Owen expressed discomfort with projects going outside the county, noting that typically, the HFA supports projects within its jurisdiction to fulfill the mandate of providing affordable housing for the county. He questioned why applicants aren't seeking support from local HFAs in the respective counties and raised concerns about deviating from the primary objective of addressing affordable housing needs within their own jurisdiction.

Mr. Culp responded to Mr. Owen's concerns, explaining that in counties lacking their own Housing Finance Authority (HFA), like Seminole, they typically work with HFAs in the same region. He highlighted the familiarity with Osceola County's HFA and the established process with bond counsel and underwriters. While they could consider Volusia and Orange counties, Mr. Culp emphasized the appropriateness of involving the Osceola HFA, especially as the development falls within their shared region (Region Six). He assured the Board that any resolution would be project-specific and require approval from both Osceola and Seminole counties, ensuring it wouldn't set a precedent for unrelated projects. The choice to involve the Osceola HFA was based on regional alignment and established collaboration.

Ms. Carpenter gave an overview on the benefit for the Osceola HFA from an allocation perspective.

Discussion ensued.

On MOTION by Mr. Dorn, seconded by Mr. Figueroa to proceed considering applications outside of Osceola County the motion dies for lack of majority, 2-2.

C. Riverbend Landings – Sanford, Seminole County
i. Consideration of Inducement Resolution 2023-05

This item was not considered.

ITEM #5

**Notice of Noncompliance at Kissimmee
Homes & Hallmark Management Progress
Update**

Ms. Carpenter provided an update on projects managed by Seltzer Management Group, which includes underwriting and compliance monitoring for rural development (RD) projects, specifically the 23 RD projects. One of these projects in Kissimmee faced significant setbacks due to Hurricane Ian, leading to delays in repairs caused by supply and labor issues. Although the buildings were initially scheduled for completion by June 30, the process has been prolonged. Ms. Carpenter shared that Seltzer has requested follow-up information on the status of the units and whether they have obtained Certificates of Occupancy (COs). Further updates will be provided to the Board as more information becomes available.

Discussion ensued.

ITEM #6

**Consideration of Disbursements #134 -
#138**

Mr. Flint gave an overview of the Disbursements #134 - #138.

On MOTION by Ms. Giel, seconded by Mr. Figueroa, with all in favor, Disbursements #134 - #138 were approved.

ITEM #7

Other Business

A. Presentation of Occupancy Reports

Ms. Carpenter provided occupancy updates for various housing projects, noting that the first set of housing units achieved high occupancy rates of 99% and 100%. For the projects monitored by Seltzer, the occupancy rates range from 72% to 99%, with the lowest at 72% and 76%. Ms.

Carpenter explained that these lower percentages still meet compliance requirements, as the low-income occupancy requirement is 40%. Beyond the tax credit level, where a 100% occupancy is typically required, the compliance process changes, and the projects are not obligated to maintain 100% occupancy for tax credits.

Mr. Flint stated on the Hallmark portfolio, the only one that really has the issue is the Kissimmee home that we've already talked about.

ITEM #8

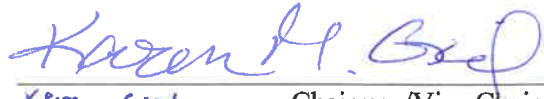
Authority Member Requests/Comments

There being none,

ITEM #9

Adjournment

On MOTION by Ms. Giel, seconded by Mr. Figueroa, with all in favor, the meeting was adjourned.
--



Karen Giel, Chairman/Vice Chairman