

**HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA**

**MINUTES OF REGULAR MEETING**

**November 18, 2021**

**4:00 p.m.**

On Thursday, November 18, 2021, at 4:00 p.m. in the offices of PHILIP L. BURNETT, P.A., 2449 First Street, Fort Myers, Florida, E. Walter Barletta, Chairman of the Housing Finance Authority of Lee County, Florida (the "Authority"), called the meeting to order.

Immediately thereafter, the Chairman called for a roll call of the members. Philip Burnett, Esq., counsel for the Authority, called the roll. E. Walter Barletta, Walter Ferguson, Virginia Yates and Kirk Frohme were present at the commencement of the meeting. Michael Villalobos was absent with an excused absence. Also appearing by phone were Tim Wranovix and Misty Dalke with Raymond James and Associates, Inc. ("Raymond James"), the Authority's managing underwriter, Tim Nelson, Claire Merritt and Braxton Parsons with Hilltop Securities, Inc. ("Hilltop Securities"), the Authority's Financial Advisor, Mark Mustian, Esquire and Alex Fischer, Esquire with Nabors, Giblin & Nickerson, P.A., the Authority's Bond Counsel, Sue Denihan and Paloma Miranda with Housing and Development Services, Inc. d/b/a eHousingPlus ("eHousing"), and Tony Del Pozzo with The Related Group.

The Chairman then opened the floor for public comment. No members of the public were present at the meeting. Accordingly, no public comment was made. Thereafter, the Chairman closed the opportunity for public comment.

The Chairman next suggested that the Authority address the approval of the Authority's Minutes for its prior meeting. Thereafter, on motion duly made by Mr. Ferguson and seconded by Ms. Yates, the members of the Authority unanimously approved the minutes of the Authority's October 28, 2021, regular meeting.

The Chairman then suggested that the members consider Item V on the Authority's Agenda, i.e., consider, discuss and vote on any issues relating to the bond documents, approval of same, and adoption of a Resolution approving same for the Authority's issuance off its Multi-Family Mortgage Revenue Bonds, Series 2021/2022 in the aggregate principal amount of not to exceed \$14,000,000 for the purpose of financing the 90 unit Multi-Family Project known as East Pointe Place Phase Two located on Dale Street, east of the intersection of Dale Street and Delaware Avenue, Fort Myers, Lee County, Florida owned by East Pointe Phase Two, LLC. The Chairman recognized Mr. Mustian. Mr. Mustian briefly summarized the present status of the proposed closing of the East Pointe Place Phase Two Project. He said it appeared that a majority of the documents necessary to close the transaction are in good shape and good to go for a closing presently anticipated for January of 2022. He said that as a consequence, he recommended that the Authority approve the bond documents and authorize the Authority's officers to execute them

where appropriate on behalf of the Authority, including Resolution No. 21-04. Mr. Mustian said that there are a few open issues and he suggested that the Authority grant the Chairman the authority to sign off on any open issues pending resolution of them so that the closing can close as planned. The Chairman then recognized Mr. Del Pozzo with The Related Group. Mr. Del Pozzo briefly described the proposed Project. The Chairman asked who the General Contractor is for the Project so that he did not have a conflict of interest due to his position in the construction industry. Mr. Del Pozzo said that the proposed General Contractor is Chris Tel. The Chairman said that there is no conflict of interest with the proposed General Contractor. After more discussion, on motion duly made by Mr. Frohme and seconded by Mr. Ferguson, the members unanimously approved the bond documents and Resolution No. 21-04 and authorized the officers of the Authority to execute all of the documents necessary to close the transaction. Immediately thereafter, Mr. Frohme made a second motion, seconded by Ms. Yates, that the Authority delegate the authority to the Chairman to sign off on open issues relating to the proposed bond offering upon resolution of the open issues, if any. The Motion was unanimously approved by all of the members of the Authority.

The Chairman next suggested that the Authority consider Item VI on its Agenda, i.e., consider, discuss and vote on such agreements, resolutions, authorizations, funding, Interlocal Agreements, documents and related matters as are necessary for the Authority to proceed with or amend its Own a Home Opportunity Program (“OAHOP Program”) with Raymond James & Associates, Inc. and such other actions as may be appropriate. The Chairman recognized Mr. Wranovix and asked him to bring the members of the Authority up to date as to how its OAHOP Program is going. Mr. Wranovix said that the Authority had had a \$3.6 million settlement on November 16, 2021. He said that the OAHOP is going slower due to the limited supply of affordable homes but that it is going as good as can be expected. He concluded his remarks by saying that the Authority did not need to transfer any additional funds at this time to its Custody Account to fund future second mortgage loans. The Chairman then recognized Ms. Denihan. Ms. Denihan said that there were no major changes in OAHOP Program and that it is proceeding along fine.

The Chairman next addressed the Authority’s consideration of Item VII on the Authority’s Agenda, i.e., consider, discuss and approve the proposed Engagement Letter with Hilltop Securities (“Hilltop”). The Chairman recognized Mr. Burnett. Mr. Burnett said that he had met with Mr. Villalobos to review and discuss the proposed the proposed Hilltop Engagement Letter. Mr. Burnett said that both he and Mr. Villalobos have questions concerning the proposed Engagement Letter, dated October 27, 2021. Mr. Burnett said that due to a business conflict Mr. Villalobos was unfortunately unable to attend the Authority meeting but that he had sent Mr. Burnett an email with some of his observations and suggestions. At the Chairman’s request, Mr. Burnett read Mr. Villalobos’ November 17, 2021, out loud so that the members and those people attending the meeting by phone could hear Mr. Villalobos’ observations and suggestions. Basically, Mr. Villalobos’ email initially raised two issues, i.e., (1) how the Authority will know what services to request of Hilltop versus Hilltop making recommendations to the Authority without the Authority having to first direct or request financial advice from Hilltop and (2) the drastic proposed expansion of Hilltop’s fees as financial advisor from the current \$2.00 per \$1,000

of bonds issued with a minimum of \$20,000 to an additional \$20,000 fixed fee, plus the \$2.00 per \$1,000 bonds issued, regardless of the bond issuance size. Mr. Villalobos' email further stated that the above two issues among other things, beg the question of what service or services is Hilltop going to actually provide for its requested compensation. Based upon the foregoing, Mr. Villalobos requested that the Authority consider tabling the consideration of Hilltop's proposed Engagement Letter until the Authority finds out with more specificity Hilltop's scope of services. His email further suggested that Hilltop be asked to provide the Authority with examples of past services so that the Authority can better understand what the advisory services include, when Hilltop submits recommendations to the Authority, will they be in writing, and if so, when will they be provided to the Authority? His email concluded stating some, but not all, of the issues that he feels need to be addressed and clarified. Immediately thereafter, on motion duly made by Mr. Frohme and seconded by Ms. Yates, the members unanimously agreed to table the consideration of Hilltop's proposed Engagement Letter and its proposed engagement letter for the East Pointe Place Phase Two Project as requested by Mr. Villalobos and that Hilltop be asked to provide the information and documentation requested by Mr. Villalobos before the matter is once again placed on the Authority's Agenda for consideration. The Chairman then suggested that Mr. Burnett email a copy of Mr. Villalobos' above mentioned email to Hilltop so that they can commence to respond to the questions and requests for information and documentation. Mr. Burnett said that he would do so.

The Chairman next addressed the Authority's consideration of Item VIII on the Authority's Agenda, i.e., discuss a Regional Meeting to be conducted in January or February of 2022. A general discussion took place as to when to conduct the next Regional meeting for Region 8 and it was agreed that, depending on the response from the other HFA's and Counties, the next Regional meeting would be held at noon on January 20, 2022, at the Hilton Garden Inn on Summerlin Road in Fort Myers. Ms. Yates inquired as to whether or not an economist could speak as to the state of the economy. Further, she suggested that each of the HFA's and Counties be asked to describe what type of projects were planned in their respective jurisdictions.

The Chairman next addressed the Authority's consideration of Item IX on the Authority's Agenda, i.e., consider and discuss bills and invoices submitted to the Authority for approval and payment. The Chairman then recognized Ms. Yates. Ms. Yates said that the only bill or invoice that had been submitted for payment was an Invoice from Mr. Burnett's Office. She then asked that the members of the Authority to approve and authorize the payment of Mr. Burnett Invoice, which is set forth below:

November 2021

Ck # 1709 Philip L. Burnett, P.A. - Retainer/Fees/Admin                      \$ 9,170.90

Immediately thereafter, on motion duly made by Mr. Ferguson and seconded by Mr. Frohme, the members of the Authority approved the payment of the Authority's bills and invoices for November of 2021. Ms. Yates concluded her remarks by stating that the Authority had received all of the responses from the Public Depositories and that they were being submitted to the

appropriate State authority.

The Chairman next addressed Item XI on the Authority's Agenda, i.e., such other matters as may come before the meeting. The Chairman started off the discussion by stating that, as previously agreed to by the members of the Authority, he and Mr. Burnett had met with the Chairwoman of and the attorney for the Collier County HFA to work with them to try to come to a mutually agreeable distribution of the tax-exempt volume cap allocation for Region 8 for the upcoming year of 2022, to the degree that they can. He said that although there are no certainties as to how many jurisdictions will apply for tax-exempt volume cap allocation in Region 8 or for how much, an agreement had been reached with the Collier County HFA. He said that the Collier County HFA has two proposed multifamily projects that they want to try to obtain tax-exempt volume cap allocation for next year, one for approximately \$42,000,000 and one for approximately \$36,000,000. The Chairman said that they had agreed to let the Collier County HFA apply for tax-exempt volume cap for its proposed \$42,000,000 Project first, then the Authority for its \$50,000,000 Plan of Finance request for tax-exempt volume cap allocation and after that the Collier County HFA can apply for tax-exempt volume cap allocation for its proposed \$36,000,000 Project. The Chairman said that he and Mr. Burnett had been advised that there is also a possibility that the Charlotte County Industrial Development Authority might request approximately \$20,000,000 of tax-exempt volume cap allocation and that there are possibly other jurisdictions that might apply, which may have an impact on the proposed distribution of tax-exempt volume cap allocation for Region 8. He concluded his remarks by saying that it was a very productive meeting and that the Chairwoman of the Collier County HFA had assured him that her Authority was on board with this proposed arrangement and would fully support the proposed distribution of tax-exempt volume cap allocation for Region 8. The Chairman then noted that the next NALHFA Educational Conference would be held in New York City between April 24<sup>th</sup> and 27<sup>th</sup> of 2022.

The Chairman next addressed Mr. Burnett. Mr. Burnett said that he wanted to let everyone know that the Lee County BOCC is supposed to consider the Authority's request for their approval of the Authority's TEFRA Hearing and to authorize the Authority's use of tax-exempt volume cap allocation on its Agenda on December 7, 2021. Next, Mr. Burnett said that he had received phone calls from the developer of the proposed FM Redevelopment Project advising him that they did not receive funding from the FHFC and, accordingly, that they would again be filing a Short Form Application with the Authority for next year. However, he said that he wasn't sure when they would be filing their new Short Form Application.

The Chairman then raised the issue of the need for an Authority meeting in December. After a brief discussion, the members agreed that the Authority's next meeting, if necessary, will be set for December 9, 2021, at 4:00 P.M. at Mr. Burnett's office. It was agreed that, if the FM Redevelopment did not need have to have their proposed Short Form Application considered, the Authority's next meeting would be set for January 20, 2022, immediately following the Regional meeting. Mr. Burnett said that he would let everyone know as soon as he hears from FM Redevelopment.

The Chairman next recognized Mr. Ferguson and asked him what plans were in the works for the Authority's and Region 8's sponsorship of the Florida ALHFA Conference in July of 2022 in Sarasota. Mr. Ferguson said that he had been discussing the matter with Susan Leigh with Florida ALHFA and that they would come up with some more definite plans but that they were considering a buffet and an open bar on Friday night of the Conference. A discussion then took place as to whether or not the Authority should have new shirts for the Conference identifying the Members and Counsel as being from the Authority and identifying the Authority as a member of Region 8. It was agreed that Ms. Yates should look into the matter further.

The Chairman then asked if anyone had anything further to bring before the Authority. There being no further business to come before the Authority, on motion duly made by Ms. Yates and seconded by Mr. Ferguson, the meeting was adjourned at 4:44 p.m.

Respectfully submitted,

  
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E. Walter Barletta, Chairman

  
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Kirk Frohme, Secretary

Approved at the 2/17/22,  
Meeting of the Housing Finance  
Authority of Lee County, Florida