

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

**MINUTES OF REGULAR MEETING**

**February 15, 2024**

**4:03 p.m.**

On Thursday, February 15, 2024, at 4:03 p.m. in the offices of The Nunez Law Firm, 3610 Broadway, 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 P. Michael Villalobos were present at the meeting and Kirk Frohme appeared by phone. Also appearing by phone were Don Peterson and Tim Wranovix with Raymond James and Associates, Inc. ("Raymond James"), the Authority's managing underwriter, Braxton Parsons with Hilltop Securities, Inc. ("Hilltop Securities"), the Authority's Financial Advisor, Mark Mustian, Esq. and Alex Fischer, Esq. with Nabors, Giblin & Nickerson, P.A., the Authority's Bond Counsel, Scott Schuhle with U.S. Bank Trust National Association ("U.S. Bank"), the Trustee on the majority of the Authority's bond offerings, Helen Feinberg, Chandler Luger and Cameron Hill with RBC Capital Markets ("RBC"), a co-managing underwriter, and Tracy Senf with McCormack Baron Salazar, Inc., developer of the 3611/3621 Cleveland Avenue Project

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 then 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 January 18, 2024, regular meeting.

The Chairman then addressed the Authority's consideration of Item V on the Authority's Agenda, i.e., consider, discuss, and vote on any and all issues relating to the bond documents, approval of same and adoption of a Resolution approving same for the Authority's issuance of its Multifamily Mortgage Revenue Note, Series 2024 (Southward Village CNI/Phase 1), in the aggregate principal amount of not to exceed of \$24,000,000 for the 92 Unit 3611/3621 Cleveland Avenue Project located at 3611 and 3612 Cleveland Avenue, Fort Myers, FL 33901. The Chairman recognized all of the Authority's Professional Staff concerning this matter. He then

asked what open issues need to be resolved before the transaction can close? The members of the Authority's Professional Staff said that there were some minor issues to be resolved but that the transaction is in pretty good shape to close and that is the reason that the Authority is being asked to approve the proposed bond documents and adopt a Resolution approving same for the Authority's issuance of not to exceed of \$24,000,000 of the above-mentioned bonds. After a brief discussion, on a motion duly made by Mr. Villalobos and seconded by Ms. Yates, the members of the Authority unanimously approved the bond documents and adopted Resolution 24-03 approving the bond documents and approving the issuance of the bonds.

The Chairman then addressed the Authority's consideration of Item VI on the Authority's Agenda, i.e., consider, discuss, and approve the Markham Norton Mosteller Wright & Company, P.A. Engagement Letter dated 12/1/23 ("Engagement Letter"), for bookkeeping services for FYE 9/30/24. Immediately thereafter, on a motion duly made by Mr. Frohme and seconded by Mr. Villalobos, the members of the Authority approved the Engagement Letter and authorized the Chairman to execute it on behalf of the Authority.

The Chairman next suggested that the members consider Item VII on the Authority's 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 and such other actions as may be appropriate. The Chairman recognized Mr. Wranovix. Mr. Wranovix said that due to the low inventory of affordable housing and high interest rates there was little activity in the Authority's OAHOP Program.

The Chairman next suggested that the members consider Item VIII on the Authority's Agenda, i.e., consider, discuss, and approve the revised Custody Agreement with U.S. Bank Trust Company, National Association ("U.S. Bank"). The Chairman recognized Mr. Burnett and Mr. Schuhle. Mr. Burnett and Mr. Schuhle said that the purpose of the revised Custody Agreement is to update and make current the relationship between the Authority and U.S. Bank with respect to the Custody Account that the Authority has with U.S. Bank. Thereafter, on a motion duly made by Ms. Yates and seconded by Mr. Ferguson the members of the Authority unanimously approved the Custody Agreement and authorized the Chairman to execute it on behalf of the Authority.

The Chairman next suggested that the members consider Item IX on the Authority's Agenda, i.e., consider, discuss, and possibly appoint an Investment Officer for the Authority. The Chairman recognized Mr. Burnett. Mr. Burnett said that now that the Authority has amended its Investment Policy, the Authority needs to appoint an Investment Officer before it can invest its surplus funds in the manner provided for in its amended Investment Policy. He then said that it was his understanding that, now that the Investment Policy has been amended and the Authority has acquired an Errors and Omissions Insurance Policy covering the members, Mr. Frohme would

serve as the Authority's Investment Officer. The Chairman then recognized Mr. Frohme. Mr. Frohme said that, before he agrees to serve as the Authority's Investment Officer, he wants to be sure of the amount of time he is going to be committing to in that he understands that he will have to take various courses every year. Mr. Wranovix said that he had previously provided some information concerning the types of courses that need to be taken and that he would resend it to Mr. Frohme. Thereafter Mr. Burnett suggested, and the members agreed, that this matter should be tabled until the Authority's next meeting.

The Chairman then suggested that the members consider Item X on the Authority's Agenda, i.e., consider, discuss, and vote on the course of action that the Authority should take with respect to the assets held in its Series 2006 trust estate and the final discharge of the Trust Indenture. Also, that the Authority consider, discuss, and vote on how to proceed with the Authority's Series 2004 and 2007 Bonds. Since the Authority does not yet have an Investment Officer, the members of the Authority each agreed that this matter should also be tabled until the Authority's next meeting.

The chairman then suggested that the members address Item XI on the Authority's Agenda, i.e., an update on the Notice of Violation ("NOV") filed by HUD/FHA against the Authority and take any action necessary with respect to the NOV, if any. The Chairman again recognized Mr. Burnett. Mr. Burnett said that he wanted to bring the members up to date on the situation with the matter concerning the NOV that the Authority received from HUD/FHA. He said that at the Authority's last meeting, subject to he and Mr. Wranovix contacting Sue Denihan to determine what adverse effect, if any, the Authority's withdrawal from HUD/FHA's Program might have on the Authority or any of its programs, he was instructed to advise HUD/FHA that the Authority did not believe that it had done anything wrong and that the Authority was withdrawing from the HUD/FHA Program. Further, in the event that it is determined that the Authority's withdrawal from the HUD/FHA Program might have an adverse effect on the Authority or its programs, he should advise the HUD/FHA that the Authority would accept the settlement offer of HUD/FHA to pay a civil penalty of \$6,000 even though the Authority did not believe that it did anything wrong. Mr. Burnett said that Ms. Denihan, Mr. Wranovix and U.S. Bank had all advised him that the Authority's withdrawal from the HUD/FHA Program could have a material adverse effect on the Authority and its OAHOP Program. Consequently, he said that he had sent an email and a certified letter to Ms. Gladys Sneed with HUD/FHA advising Ms. Sneed that the Authority had agreed to accept the settlement offer of HUD/FHA to pay a \$6,000 civil penalty to HUD/FHA. Mr. Burnett then asked the members of the Authority to ratify the action taken by him and the Authority's Professional Staff with respect to this matter. Thereafter, on a motion duly made by Mr. Villalobos and seconded by Mr. Ferguson, the members of the Authority unanimously approved and ratified the actions taken by Mr. Burnett and the other members of the Authority's Professional Staff with respect to the NOV matter with HUD/FHA.

The Chairman next suggested that the members consider Item XII on the Authority's Agenda, i.e., consider, discuss, and approve the Authority's Financial Statements for the periods ending 6/30/23, and 9/30/23. The Chairman recognized Mr. Frohme. Mr. Frohme said that he had some questions concerning the treatment of the expenses in the Authority's OAHOP Program in that in the Authority's 9/30/23 Financial Statements, it reflects that the Authority only had revenue of \$30,000 whereas it had expenses of \$360,000. Mr. Frohme then said that he could not in good faith recommend that the Authority approve the Authority's 6/30/23 and 9/30/23 Financial Statements until this issue has been addressed and satisfactorily resolved. The Chairman then recognized Mr. Burneett. Mr. Burnett said that he understands Mr. Frohme's concerns but that, if this issue is not resolved by the Authority's next meeting so that it can approve the audit of the Authority's audited Financial Statements at its next meeting, the Authority would be in violation of its obligation to disburse copies of its Audited Financial Statements by 3/31/24. A discussion then took place as to how to handle this matter. It was agreed that the Authority could proceed with the approval of the financial statements and, if necessary, object to them later. Thereafter, on a motion duly made by Mr. Villalobos and seconded by Mr. Ferguson, the members of the Authority unanimously approved the Authority's 6/30/23 Financial Statements. In addition, on a motion duly made by Mr. Villalobos and seconded by Mr. Ferguson, the members of the Authority unanimously approved the Authority's 9/30/23 Financial Statements.

The Chairman next suggested that the Authority consider Item XIII 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 she would like for the members of the Authority to approve and authorize the payment of the remaining bills and invoices that were submitted for payment in January, all as set forth below:

January 2024

Ck # 1815 Markham Norton Mosteller Wright & Co.-Accounting	\$ 5,649.35
Ck # 1816 Philip L. Burnett, P.A. - Retainer/Fees/Admin/Other	\$11,212.94
Ck # 1817 Walter Ferguson-State Board and Lodging	\$ 838.87

Immediately thereafter, on a motion duly made by Mr. Villalobos and seconded by Mr. Ferguson, the members of the Authority approved the payment of the Authority's remaining bills and invoices submitted for payment in January of 2024. She also said that the 1/31/24 monthly balancing of account shows that check # 1791- 8/2/23 to Supreme Lending is still outstanding and that she might have to issue a stop payment on it. Mr. Burnett said that she did not have to do so. He said that he had the check in his possession pending Supreme Lending's entering an Indemnification and Hold Harmless Agreement with the Authority but that, due to the age of the check, it will need to be cancelled and reissued. Ms. Yates then reminded the members to use the Authority's Standard Reimbursement Form and that receipts are required to be submitted with the Form for all reimbursement of expenses. She concluded her remarks suggesting that some

of the Authority's maturing CDs might be better served in money markets versus CDs. A discussion of the members then took place as to the reimbursement of various expenses, particularly for breakfast when a full breakfast was not offered at a conference, i.e., just coffee and pastries. The members agreed that the issue of expense reimbursement should be placed on the Agenda for the Authority's next meeting.

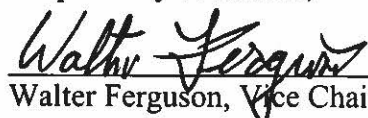
The Chairman then suggested that the Authority address Item XIV on the Authority's Agenda, i.e., such other matters as may come before the meeting. The Chairman recognized Ms. Yates. Ms. Yates said that Mr. Burnett's Office has emailed copies of the Authority's Financial Statements for 3/31/23 but that they were not on the agenda for this meeting. Notwithstanding, she requested that the Authority approve them so that Markham Norton can proceed with the completion of the audit of the Authority's Financial Statements for the Authority's FYE 9/30/23. Thereafter, on a motion duly made by Mr. Villalobos and seconded by Mr. Ferguson, the members of the Authority unanimously approved the Authority's 3/31/23 Financial Statements.

The Chairman then asked how many of the members and counsel were planning on attending the Annual NALHFA Conference in July in Las Vegas. Mr. Villalobos and Mr. Burnett both said that they were planning on attending the Conference. The Chairman also noted that W.D. Morris with the Housing Finance Authority of Orange County, Florida was retiring and asked if the members wanted to do anything to acknowledge his service. It was agreed that the Authority would not do anything. The Chairman then recognized Mr. Ferguson. Mr. Ferguson asked if the members wanted to sponsor anything at the Florida ALHFA Educational Conference in St. Augustine in July. After brief discussion, on a motion duly made by Mr. Ferguson and seconded by Mr. Villalobos, the members unanimously approved the Authority to be a Platinum Sponsor in the amount of \$5,000, which the Authority has provided for in its budget.

The Chairman next asked when the Authority's March meeting should be held. After a brief discussion, it was agreed that the Authority's next meeting be held on March 21, 2024, at 4:00 p.m. at The Nunez Law Firm, 3610 Broadway, Fort Myers, Florida.

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 a motion duly made by Ms. Yates and seconded by Mr. Villalobos, the meeting was adjourned at 5:05 p.m.

Respectfully submitted,

  
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Walter Ferguson, Vice Chairman



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Kirk Frohme, Secretary

Approved at the March 21, 2024,  
Meeting of the Housing Finance  
Authority of Lee County, Florida