

HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA

MINUTES OF REGULAR MEETING

August 17, 2023

4:07 p.m.

On Thursday, August 17, 2023, at 4:07 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 Michael Villalobos were present at the meeting. Kirk Frohme had an excused absence. Appearing by phone were Tim Wranovix with Raymond James and Associates, Inc. ("Raymond James"), the Authority's managing underwriter, Mark Mustian, Esquire and Alex Fisher, Esquire 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, Clarie Merritt with Hilltop Securities, Inc. ("Hilltop Securities"), the Authority's Financial Advisor, Sheryl Krocek, with Housing and Development Services, Inc. d/b/a eHousingPlus ("eHousing") and Helen Feinberg and Cameron Hill with RBC Capital Markets ("RBC"), a co-managing underwriter.

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 June 22, 2023, regular meeting.

The Chairman then suggested that the members consider Item V on the Authority's Agenda, i.e., presentation by Renee O'Day, with Public Trust Advisers, LLC of investment opportunities for the Authority's surplus funds. The Chairman recognized Ms. O'Day. Ms. O'Day said she was appearing as a representative of FLCLASS, Florida Cooperative Liquid Asset Securities System, a local government investment pool with a focus on safety, liquidity, convenience, and a competitive yield. She said that FLCLASS has been serving Florida local governments since 2015 and remains committed as a fiduciary steward of public funds. She then explained how FLCLASS is structured and operates, that it is rated 'AAAm' by Standard and Poor's, that it provides a competitive yield, same day liquidity, that it is governed by a Board of the Authority's peers, that interest is paid daily, that there are no transaction fees, no minimum amount of money need be invested and that it is not insured by the FDIC. She concluded

by saying that FLCLASS presently has approximately \$65 Billion under management, \$6 Billion of which is in Florida. There was then a brief discussion as to how their program worked on a day-to-day basis and what benefits the Authority would get by participating in their program. The members agreed that they would need to investigate the matter further to determine if participating in the program would benefit the Authority. The Chairman thanked Ms. O'Day for coming and making the presentation to the members of the Authority.

The Chairman next suggested that the members consider Item VI on the Authority's Agenda, i.e., consider, discuss and confirm the actions taken by the Authority's Professional Staff in their review and approval of the Short Form Application filed with the Authority for \$22,500,000 of financing for a Project known as Barrett Park Apartments, located at Barrett Road, 1,050' West of Barrett Road and Lansdale Drive, North Fort Myers, Lee County, FL and the Chairman's issuance of a letter to Barrett Park Apartments, LLC for its use in applying for financing from the FHFC. The Chairman recognized Mr. Burnett. Mr. Burnett said that, as previously authorized by the Authority, he and the other members of the Authority's Professional Staff had reviewed the above-mentioned Short Form Application and recommended to the Chairman that he issue a letter to Barrett Park Apartments, LLC for its use in applying for financing from the FHFC, which he did. Thereafter, on a motion duly made by Mr. Ferguson and seconded by Mr. Villalobos, the members of the Authority confirmed the actions of the Authority's Professional Staff as described above.

The Chairman next suggested that the members consider Item VII on the Authority's Agenda, i.e., consider, discuss and confirm the actions taken by the Authority's Professional Staff in their review and approval of the Short Form Application filed with the Authority for \$25,000,000 of financing for a Project known as Amaryllis Park Place III, located at 21st Street, approximately 500 feet Southeast of the intersection of 21st Street and Palmadelia Avenue, Sarasota, FL and the Chairman's issuance of a letter to Smith & Henzy Affordable Group, Inc. ("Smith & Henzy") in Delray Beach, FL for their use in applying for financing from the FHFC. The Chairman recognized Mr. Burnett. Mr. Burnett said that, as previously authorized by the Authority, he and the other members of the Authority's Professional Staff had reviewed the above-mentioned Short Form Application and recommended to the Chairman that he issue a letter to Smith & Henzy for their use in applying for financing from the FHFC, which he did. Thereafter, on motion duly made by Ms. Yates and seconded by Mr. Ferguson, the members of the Authority confirmed the actions of the Authority's Professional Staff as described above.

The Chairman next suggested that the members consider Item VIII 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 the OAHOP Program had a small settlement this month but that the TBA Market is presently in turmoil.

The Chairman next addressed the Authority's consideration of Item IX on the

Authority's Agenda, i.e., consider and discuss the status of, and vote on any changes to the Authority's Mortgage Credit Certificate ("MCC") Program, including, but not limited to, procedures, structure, the fees charged in connection with the issuance of MCC's and accounting for same. The Chairman recognized Mr. Wranovix and Ms. Krocek. They said that in 2022, there were 5 loans issued in the Authority's OAHOP Program by 3 different lenders. Further, that in 2019, there were 4 or 5 MCC's issued that there are delinquent fees outstanding on and there are 4 MCC's issued in 2020 for which the fees due are delinquent. Mr. Burnett said that what Mr. Wranovix and Ms. Krocek were saying was not what he thought was going to be discussed with respect to the Authority's MCC Program. He said that it was his understanding that this matter was put on the Authority's Agenda to address some issues that he and the Chairman had discussed with Sue Denihan and others at the Florida ALHFA Conference in Sarasota in July. More specifically, he said that there is apparently some question as to when Hilltop Securities stopped participating in the Authority's MCC Program and that there are some MCC's issued for which the fees have not been paid. Further, due to the small amount of money involved and the length of time that had transpired since the MCC's were issued whether the Authority wanted to continue to pursue collection of the unpaid fees for the issuance of the MCC's. Last, to discuss how the fees for the issuance of the MCC's in the Authority's MCC Program are to be divided. It was agreed that this matter would need to be discussed at a future meeting of the Authority.

The Chairman next addressed the Authority's consideration of Item X on the Authority's Agenda, i.e., discuss the status of the various multifamily projects that have filed applications for financing with the Authority, the proposed timing for the closings of them and the availability of tax-exempt volume cap for each of the projects, plus the possible need for tax-exempt volume cap allocation for other multifamily projects that may be filed this year and next year and for the Authority's MCC Program. The Chairman recognized Mr. Burnett. Mr. Burnett said that he and the other members of the Authority's Professional Staff had discussed this matter before the Authority's meeting and prepared a Tax-Exempt Volume Cap Allocation Summary ("Allocation Summary") to set forth the demand and potential demand and timing of the need for tax-exempt volume cap allocation, copies of which were distributed to the members. Mr. Burnett said that, as noted in the Allocation Summary, the Authority has an aggregate amount of tax-exempt volume cap allocation of \$144,250,000 available during 2023 and 2024 to fund the various multifamily projects that it has induced. He also noted that the Authority has induced four multifamily projects which will require an aggregate tax-exempt volume cap allocation of \$120,000,000, i.e., (1) Crossings at Cape Coral-\$30,000,000; (2) Fort Myers Redevelopment-\$24,000,000; (3) Aria Landings-\$50,000,000; and (4) Pine Echo-\$16,000,000. He concluded by saying that he had been contacted by Smith & Henzy about their potentially filing application for financing with the Authority for two additional multifamily projects, one for the Lofts on Lemon-\$23,000,000 and one for the Amaryllis Park Place-\$25,000,000. The Chairman then also recognized Mr. Mustian and Mr. Wranovix. They said that the Authority has enough tax-exempt volume cap allocation to be able to fund the four Projects mentioned above but that it does not take into consideration any tax-exempt volume cap allocation for another possible MCC Program. Mr. Mustian said that Region 8 generally gets approximately \$100,000,000 of tax-exempt volume cap allocation each year, beginning on January 1, 2024. In addition, he said that he had been advised that the Housing Finance Authority of Collier County, Florida ("Collier HFA") intended to file a

Plan of Finance seeking \$50,000,000 of tax-exempt volume cap allocation. He concluded by saying that, assuming that the Collier HFA is awarded its request, there will be \$50,000,000 of available tax-exempt volume cap allocation available in Region 8 unless some other entity requests some of the volume cap allocation. A general discussion then took place and it was agreed that the Authority's Professional Staff would monitor the situation and they and the members of the Authority would address this matter later in the year so as to be able to make the best decision possible as to how to proceed.

The Chairman next suggested that the members consider Item XII on the Authority's Agenda, i.e., consider, discuss and vote on an update of the Authority's Expense Reimbursement Policy ("Authority's Reimbursement Policy"). The Chairman then recognized Mr. Burnett. Mr. Burnett said that, as requested by the Authority, he reviewed the Authority's Reimbursement Policy and had drafted a revised and updated version of it for the Authority's consideration. He said that he had forwarded a copy of it to the members and that he had exchanged numerous emails with Kirk Frohme concerning it. He then said that he and Mr. Frohme finally agreed on the version of the Authority's Reimbursement Policy that was distributed to the members. Mr. Burnett said that he had updated the Authority's prior Reimbursement Policy and used the GSA U.S. General Services Administration ("GSA") FY 2023 per diem rates for Fort Myers, FL. He said that the Authority's prior Reimbursement Policy did not include a reimbursement for incidental expenses. He said, however, that given that the GSA had provided for it, that it was only for \$5 and that he thought that the members probably incur incidental expenses when they travel, it might be something that members would want to include in the revised and updated Reimbursement Policy. A brief discussion then took place after which, on motion duly made by Ms. Yates and seconded by Mr. Ferguson, the members unanimously approved and adopted the Authority's Reimbursement Policy as proposed by Mr. Burnett.

The Chairman next suggested that the members consider Item XII on the Authority's Agenda, i.e., consider and discuss obtaining Errors and Omissions liability insurance ("E & O Insurance"). It was agreed that this matter should be tabled at this time until the issue of availability and cost of E & O Insurance is brought before the Authority.

The Chairman next suggested that the members consider Item XIII 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 consider, discuss and vote on how to proceed with the Authority's Series 2004 and 2007 Bonds. The members unanimously agreed that this matter should be tabled until the Authority deals with a possible revision of its Investment Policy.

The Chairman then suggested that the members consider Item XIV on the Authority's Agenda, i.e., consider, discuss, and approve the final draft of the Authority's Budget for FYE 9/30/24 ("Budget"). The Chairman recognized Ms. Yates. Ms. Yates said that Mr. Burnett's Legal Assistant, Lisa Maitland, had circulated a draft of the proposed Budget, as revised at the Authority's last meeting, to the members. Thereafter, on motion duly made by Mr. Ferguson and seconded by Mr. Villalobos, the members of the Authority unanimously approved the

proposed Budget for its FYE 9/30/24, as revised and/or adjusted. In addition, Mr. Burnett said that the Authority had received an Invoice from Mark Hendrickson requesting the Authority's payment for the reception at the Florida ALHFA Educational Conference in Sarasota that the members had previously approved. After a brief discussion, on motion duly made by Mr. Ferguson and seconded by Mr. Villalobos, the members of the Authority unanimously approved the Authority's payment of \$6,000 from the Authority's 9/30/23 FYE Budget for the abovementioned reception.

The Chairman next addressed the Authority's consideration of Item XV 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 bills and invoices that were submitted for payment in July, all as set forth below:

July 2023

Ck # 1787 Philip L. Burnett, P.A. - Second Mortgage Overpayment	\$ 2,500.00
Ck # 1788 Markham Norton Mosteller Wright & Co. -Accounting	\$ 4,704.00
Ck # 1789 Philip L. Burnett -Lodging and State Registration	\$ 1,426.02
Ck # 1790 Philip L. Burnett, P.A. - Retainer/Fees/Admin/Other	\$ 17,121.35
Ck # 1791 Supreme Lending -Second Mortgage Overpayment	\$ 7,500.00
Ck # 1792 Walter Barletta -Lodging and State Registration	\$ 1,643.76
Ck # 1793 Michael Villalobos -Lodging and State Registration	\$ 1,571.09
Ck # 1794 Walter Ferguson -Lodging and State Registration	\$ 1,336.92

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 bills and invoices submitted for payment of the Authority's in July of 2023.

The Chairman then suggested that the Authority address Item XVI 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 the Authority still has not completed its recertification with HUD as it has not yet received its UEI #. The Chairman next recognized Mr. Ferguson. Mr. Ferguson said the Florida ALHFA Educational Conference in Sarasota was one of the most successful Conferences yet as it had the highest attendance to date.

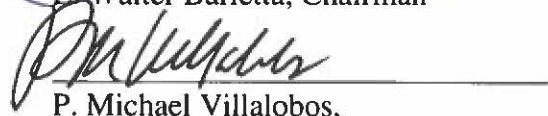
The Chairman then suggested that the members discuss when the Authority should have its next meeting. After a brief discussion, it was agreed that the Authority's September meeting will be held on September 21, 2023, at 4:00 p.m. at the offices of The Nunez Law Firm in Fort Myers.

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 5:58 p.m.

Respectfully submitted,



E. Walter Barletta, Chairman



P. Michael Villalobos,
Assistant Secretary

Approved at the 9/21/23
Meeting of the Housing Finance
Authority of Lee County, Florida