

HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA

MINUTES OF REGULAR MEETING

December 7, 2023

4:01 p.m.

On Thursday, December 7, 2023, at 4:01 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, P. Michael Villalobos, and Kirk Frohme were present at the meeting. Also present at the meeting were 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, and Lisa Maitland, with Mr. Burnett's Office. Appearing by phone were Mark Mustian, Esq. and Alex Fischer, Esquire with Nabors, Giblin & Nickerson, P.A., the Authority's Bond Counsel, Sue Denihan with Housing and Development Services, Inc. d/b/a eHousingPlus ("eHousing"), Terry Sween and Katessa Archer with Dominionium Development and Acquisition, LLC ("Dominium"), an affiliate of Cape Coral Leased Housing Associates II, LLLP, the applicant on the Crossings at Cape Coral Project and Fort Myers Leased Housing Associates I, LLLP, the Applicant on the Aria Landings Project, and Ed Busansky and Stephanie Petty with First Housing Development Corporation of Florida ("First Housing").

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. Villalobos and seconded by Mr. Ferguson, the members of the Authority unanimously approved the minutes of the Authority's November 16, 2023, regular meeting.

The Chairman next suggested that the Authority address Item V on its 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 Revenue Bonds (Aria Landings), Series 2023 A, B, and C and its Subordinate Multifamily Housing Revenue Note, Series 2023 D in the aggregate principal amount of not to exceed \$50,000,000 for the Aria Landings Project located at 4000-4050 Winkler Avenue, Fort Myers, FL 33916. The

Chairman recognized all of the professionals and other parties involved, including Mr. Sween and Ms. Archer as representatives of Dominion, in trying to conclude the proposed financing of the Aria Landings Project. He then asked what open issues need to be resolved before the transaction can close? After a brief discussion, it was generally agreed that the following issues need to be resolved before this financing can be concluded: (1) a requirement of the Florida Housing Finance Corporation ("FHFC") that an average of at least \$40,000 of hard rehabilitation costs per unit of funds must be invested in the rehabilitation of each unit; (2) Developer must put up additional funds or some form of acceptable guarantee so that loan amount meets a 1.10 debt service coverage ratio; (3) an agreement needs to be reached as to the method of calculating income generated to have sufficient value to the size of the housing credits, i.e., tenant based voucher rent vs. project voucher; and (4) the Authority's waiver of its ongoing administrative fee of 25 basis points in exchange for the Developer's payment of an upfront fee at closing. It was also agreed that this transaction needed to close before the end of 2023. A rather lengthy discussion then took place concerning the above issues. Mr. Busansky said that the First Housing's proposed Credit Underwriting Report reflects the FHFC's positions and/or requirements to be complied with, waived and/or negotiated for this transaction to close. Mr. Sween and Ms. Archer said that the Developer believes that their position is correct or, if not, that the various issues can be resolved by negotiating additional funding or corporate guarantees. Mr. Parsons said that the Authority has accepted a lump sum administrative payment upfront in lieu of an ongoing administrative fee and that Hilltop, on behalf of the Authority has agreed in principle with the Developer as to the methodology as to how the upfront fee will be determined but cannot calculate the exact upfront fee until final numbers are available. Mr. Frohme noted that if the Authority agreed to proceed with the proposed financing if all of the above issues can be resolved, there isn't sufficient time to bring this matter before the Authority to consider again. Thereafter on motion duly made by Ms. Yates and seconded by Mr. Ferguson, the Authority unanimously adopted Resolution 23-08 approving the bond documents and approving the issuance of the bonds providing that the proposed bond offering can close in the following manner: (1) the Authority will accept an upfront administrative fee from the Developer in lieu of administrative fee paid over the life of the bonds using the methodology agreed to by Hilltop and the Developer; and (2) that the Authority hereby delegates to the Chairman the authority to approve and close the transaction upon the recommendation of the Authority's Professional Staff and the Credit Underwriter.

The Chairman then addressed the Authority's consideration of Item VII on the Authority's Agenda, i.e., consider, discuss, and possibly vote on amending the Authority's Investment Policy and the appointment of an Investment Officer. The Chairman recognized Mr. Burnett. Mr. Burnett said that he and Mr. Parsons had attempted to revise the draft of the Authority's Investment Policy in accordance with the comments expressed by various members and the Authority's Professional Staff at previous Authority meetings. He said that he had emailed a copy of the revised proposed Investment Policy ("Investment Policy"), i.e., Resolution No. HFA-23-07, to the members and the Authority's Professional Staff for their review. Mr. Burnett then suggested that the Chairman recognize Mr. Frohme as he had previously expressed some concern

about parts of the prior draft of the Investment Policy. Mr. Frohme said that his concerns about the proposed Investment Policy had been resolved in the current draft of it and that he was in favor of it. Immediately thereafter on motion duly made by Mr. Frohme and seconded by Ms. Yates, the members of the Authority unanimously approved the adoption of the revised proposed Investment Policy for the Authority, i.e., Resolution No. HFA-23-07, and authorized the Chairman and Secretary to execute it.

The Chairman again recognized Mr. Burnett. Mr. Burnett said that the next thing that the Authority needs to address is the approval and adoption of Resolution No. 23-09, a Resolution Amending and Restating Resolution No. 23-06 in its entirety, authorizing the issuance by the Authority of not exceeding \$24,000,000 in the aggregate principal amount of its (I) Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS), Series 2023A, (II) Multifamily Housing Revenue Bonds (Crossings at Cape Coral Apartments), Series 2023B and (III) Subordinate Multifamily Housing Revenue Note (Crossings at Cape Coral Apartments), Series 2023C; and providing an Effective Date. He said that the Authority needs to approve and adopt Resolution 23-09 as presented. Immediately thereafter, on a motion duly made by Ms. Yates and seconded by Mr. Ferguson, the members of the Authority approved and adopted Resolution 23-09 and consistent with its position on the Aria Landings transaction, that: (1) the Authority would accept an upfront administrative fee from the Developer in lieu of administrative fee over the life of the bonds using the methodology agreed to by Hilltop and the Developer; and (2) the Authority hereby delegates to the Chairman the authority to approve and close the transaction upon the recommendation of the Authority's Professional Staff and the Credit Underwriter.

The Chairman next suggested that the members consider Item VI 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 he would be short, that there was not much going on in the Authority's OAHOP Program.

The Chairman next suggested that the Authority consider Item VIII 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 November and early December, all as set forth below:

November and Early December 2023

Ck # 1811 Markham Norton Mosteller Wright & Co.-Accounting \$ 5,464.00

Ck # 1810 Philip L. Burnett, P.A. - Retainer/Fees/Admin/Other \$12,722.21

In addition, Ms. Yates said that on 12/4/23, Ck # 2528 transferred \$100,000 from the Authority's Savings Account to its Operating Account.

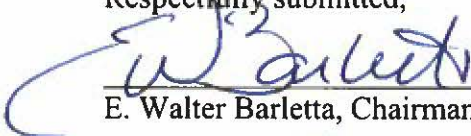
Ms. Yates then said that all of the checks are within the Authority's Budget and that all endorsements were checked as received as suggested by the Authority's Auditors. Further, she said the above \$100,000 transfer of funds from the Authority's Savings Account to its Operating Account is to cover expenditures due. However, this transfer is always presented to the Authority at meetings for approval along with checks presented. Immediately thereafter, on a motion duly made by Mr. Ferguson and seconded by Ms. Yates, the members of the Authority approved the payment of the Authority's bills and invoices submitted for payment in November and early December of 2023 and for the transfer of funds from the Authority's Savings Account to its Operating Account.

The Chairman then suggested that the Authority address Item X 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, as previously discussed, the Authority has been accumulating a substantial amount of surplus funds and that she thinks that the Authority should start putting some of the funds back into the community. It was agreed, however, that due to time limitations, this matter would be continued until the Authority's next meeting.

The Chairman then suggested that the Authority's January meeting shall be held on January 18, 2024, 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. Ferguson, the meeting was adjourned at 5:02 p.m.

Respectfully submitted,



E. Walter Barletta, Chairman



Kirk Frohme, Secretary

Approved at the January 18, 2024,
Meeting of the Housing Finance
Authority of Lee County, Florida