

HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA

MINUTES OF REGULAR MEETING

August 22, 2024

4:00 p.m.

On Thursday, August 22, 2024, at 4:00 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. Lisa Maitland of Philip Burnett, PA called the roll. E. Walter Barletta, Walter Ferguson, Virginia Yates, P. Michael Villalobos and Kirk Frohme were present at the meeting. Philip Burnett, counsel for the Authority, appeared by phone. Also appearing by phone were Tim Wranovix with Raymond James and Associates, Inc. ("Raymond James"), the Authority's managing underwriter, Claire Merritt with Hilltop Securities, Inc. ("Hilltop Securities"), the Authority's Financial Advisor, Mark Mustian, 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, Chandler Luger with RBC Capital Markets ("RBC"), a co-managing underwriter and Sue Denihan with Housing and Development Services, Inc. d/b/a eHousingPlus ("eHousing").

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 Mr. Villalobos, the members of the Authority unanimously approved the minutes of the Authority's July 18, 2024, regular meeting.

The Chairman then addressed Item V on the Authority's Agenda, i.e., presentation by John Ammons with Edison National Bank regarding enhancements to the Authority's Bank Accounts maintained at Edison National Bank. The Treasurer, Ginny Yates recognized Mr. Ammons. Mr. Ammons stated that security in banking, especially pertaining to Debit Card and Check Fraud, was on the rise. He then introduced Edison National Bank's Positive Pay Program, which is an automated fraud detection tool used to verify the legitimacy of checks presented for payment and he explained how the Authority could benefit by participating in this Program. A

general discussion took place concerning the fraud issue and how the Authority could possibly implement the Positive Pay Program. The Authority thanked Mr. Ammons for his informative presentation.

The Chairman next addressed the Authority's consideration of Item VI on the Authority's Agenda, i.e., consider, discuss, and vote on the proposed issuance by the Authority of its Multi-Family Mortgage Revenue Bonds, in the aggregate principal amount of not to exceed of \$20,000,000 in connection with the proposed financing for the acquisition, rehabilitation and equipping of the 92-unit multifamily project known as Pine Echo Apartments (the "Project") located at 14073 Whitebirch Lane and 14170 Warner Circle, North Fort Myers, FL 33903. The Chairman recognized Mr. Burnett. Mr. Burnett said that the members of the Authority's Professional Staff had reviewed the Amended Application for the Project. He said that some of the members of the Authority's Professional Staff felt more strongly than others about the completeness of it. More specifically, Mr. Burnett said that he had a number of issues and questions concerning the Amended Application, the most important being that the Applicant had submitted PDF electronic copies of their Market Study and Appraisal as opposed to submitting hard copies of them, stating that they did so due to their file size. The Applicant did so even after having been advised that they should provide hard copies of the Amended Application to the Authority. The Applicant initially filed the whole Amended Application electronically and I advised them that they would need to file hard copies as opposed to electronic copies. Mr. Burnett said that the Authority does not have a procedure for accepting electric copies ("PDF") and no way of being certain as to what final documents are actually being submitted with an application or the Amended Application. In addition, he said that all filings with the Authority are public records that the Authority is required to make available to any member of the public that might request to review them so they should be filed in hard copy form. Mr. Burnett said that he had a couple of other questions that he would like to see clarified and that he had drafted a letter to the Applicant asking for clarification of various matters. Mr. Burnett concluded his remarks by saying that, even though he had some issues and questions, given that this is an Amended Application and that there are potential time constraints, he recommended that the Authority approve the Amended Application but not close the transaction until hard copies of the Market Study and Appraisal are filed with the Authority and that the Applicant clear up any questions or issues that members of the Authority's Professional Staff may have. Mr. Wranovix added that the Credit Underwriter will demand the Market Study and Appraisal before closing. Mark Mustian, Esq added that other HFA's Applications were not as comprehensive as the Authority's is and that hopefully the Authority will simplify its application in the future. The members of the Authority asked for a vote by the Professional Staff as to how to proceed. Mr. Wranovix, Mrs. Merrit and Mr. Mustian recommended that the Authority approve the Amended Application as recommended by Mr. Burnett. Thereafter, on motion duly made by Mr. Frohme and seconded by Mr. Villalobos, the members of the Authority unanimously approved the Amended Application and the Project with the understanding that the Authority will not close the financing for the Project until the

Applicant files hard copies of its Market Study and Appraisal and clears up any questions or issues with respect to the Amended Application that members of the Authority's Professional Staff may have.

The Chairman next suggested that the Authority temporarily adjourn the meeting to conduct a TEFRA Hearing on the Authority's just approved induced Project. On a motion made by Ms. Yates and seconded by Mr. Frohme, the members of the Authority agreed to temporarily adjourn the Authority's meeting. The Chairman then recognized Mr. Burnett. Mr. Burnett said that his Office had published a Public Notice with the Fort Myers News-Press for a TEFRA Hearing on the Project to be held on August 22, 2024, at 4:00 p.m. or as soon thereafter as possible on the assumption that the Authority would approve and adopt the above-mentioned Project. Mr. Burnett then said that he would like the members of the Authority to conduct a TEFRA Hearing on the Project. At 4:47 p.m. the Chairman then opened the TEFRA Hearing. The Chairman noted that no members of the public were present. Thereafter, on motion duly made by Ms. Yates and seconded by Mr. Villalobos, the Chairman closed the TEFRA Hearing. At 4:48 p.m. after a motion was made by Ms. Yates and seconded by Mr. Frohme, the members reconvened the Authority meeting. Mr. Burnett then suggested that the members of the Authority approve the Minutes of the TEFRA Hearing. Ms. Yates then made a motion for the Authority to approve the Minutes of the just concluded TEFRA Hearing. The motion was seconded by Mr. Frohme and unanimously approved by the members of the Authority.

The Chairman next addressed the Authority's consideration of Item VII on the Authority's Agenda, i.e., consider, discuss, and approve the proposed Settlement Agreement on the Notice of Violation ("NOV") filed by HUD/FHA against the Authority and take any action necessary with respect to this matter. The Chairman then recognized Mr. Burnett. Mr. Burnett said that he had negotiated the terms of the proposed Settlement Agreement on the NOV matter with counsel for HUD/FHA eliminating certain reporting requirements and clarifying how the \$6,000 settlement amount will be paid. He said that he thought that it was as good as the Authority was going to get and that he recommended that the Authority approve the Settlement Agreement with HUD/FHA, authorize the Chairman to execute it on behalf of the Authority and approve the payment of the \$6,000 settlement fee. Thereafter, on a motion duly made by Mr. Villalobos and seconded by Mr. Frohme, the members of the Authority unanimously approved the Settlement Agreement HUD/FHA, authorized the Chairman to execute it on behalf of the Authority, and approved payment of the \$6,000.00 settlement fee.

The Chairman next addressed the Authority's consideration of Item VIII on the Authority's Agenda, i.e., consider, discuss, and approve the Engagement Letter with CliftonLarsonAllen ("CLA") for the audit of the Authority's financial statements for its FYE 9/30/24. The Chairman recognized Mr. Frohme. Mr. Frohme said that the Engagement Letter was pretty much the same as CLA's Engagement Letter for their audit of the Authority's financial statements for its FYE 9/30/23, except for CLA's fees which were increased up to \$31,425.

Thereafter, on a motion duly made by Mr. Frohme and seconded by Mr. Ferguson, the members of the Authority unanimously approved the Engagement Letter with CliftonLarsonAllen for the audit of the Authority's financial statements for its FYE 9/30/24.

The Chairman next suggested that the members consider Item IX 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 high prices and high interest rates, there hasn't been very much activity in the Authority's OAHOP Program.

The Chairman then addressed the Authority's consideration of Item X on the Authority's Agenda, i.e., consider, discuss and vote on a fee proposal from US Bank for its services in connection with the Authority's 2007 Single Family Bonds. The Chairman recognized Scott Schuhle of US Bank. Mr. Schuhle said that the bonds were paid in full and as they move to the final disposition of the trust estate, U.S. Bank asks that the Authority consider a proposal for the settlement of fees due to it for the administration of the trust over the past five years before the remaining balances are transferred to the Authority's Custody Account. After a brief discussion, on a motion duly made by Mr. Frohme and seconded by Mr. Villalobos, the members of the Authority unanimously approved the net payment to U. S. Bank of \$5,484.24 from the Trust Estate for its fees with the balance of the funds being held in the trust estate to be transferred to the Authority's Custody Account with U.S. Bank.

The Chairman then suggested that the members consider Item XI on the Authority's Agenda, i.e., consider, discuss, and approve the Authority's Budget for its FYE 9/30/25 and that the Authority consider, discuss and approve its amendment to its Budget for its FYE 9/30/24. The Chairman recognized Ms. Yates. Ms. Yates said that Ms. Maitland had passed out copies of the latest revised drafts of the Authority's proposed Budget and its proposed amended Budget, which hopefully include all of the suggested revisions to each Budget. She then asked if any of the members had any questions concerning either of the proposed Budgets. Mr. Frohme said that he had various questions pertaining to the Amended 9/30/24 FYE Budget, primarily dealing with the doubling of certain expenses from prior years, i.e., Florida ALHFA dues, NALHFA dues and Sadowski Educational Effort contributions. Ms. Yates explained that the monies referred to above were doubled in the proposed amendment to the Authority's Budget for its FYE 2024 to allow the Authority to timely pay these expenses that were in the past paid in the year following the year in question and that it is a one-time adjustment. A brief discussion then took place. Thereafter, on a motion duly made by Mr. Frohme and seconded by Mr. Villalobos, the members of the Authority unanimously approved the Authority's 9/30/24 Amended Budget. Immediately thereafter, on a motion duly made by Mr. Frohme and seconded by Ms. Yates, the members of the Authority unanimously approved the Authority's 9/30/25 Budget.

The Chairman next suggested that the Authority consider Item XII 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. She 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 July, all as set forth below:

July 2024

Ck# 1839	Dominium Development	Good Faith Deposit	\$35,000.00
Ck# 1840	Key Insurance	E & O Insurance Premium	\$ 1,732.50
Ck# 1841	Kirk Frohme	FL ALHFA Expenses	\$ 2,341.93
Ck# 1842	Nabors, Giblin & Nickerson	Bond Attorney Retainer	\$ 5,000.00
Ck# 1843	Philip L. Burnett, PA	Fees/Office Expenses	\$11,219.72
Ck# 1844	Sadowski Education Effort	Contribution	\$20,000.00
Ck# 1845	US Housing & Urban Dev.	Settlement Payment	\$ 6,000.00
Ck# 1846	Dominium Development	Good Faith Deposit	\$35,000.00

Immediately thereafter, on a motion duly made by Mr. Frohme and seconded by Mr. Villalobos, the members of the Authority unanimously approved the payment of the Authority's bills and invoices submitted for payment in July of 2024.

The Chairman next suggested that the Authority consider Item XIII on the Authority's Agenda, i.e., consider the Authority's possible investment of a portion of its surplus funds with FL Class. The Chairman recognized Mr. Frohme, the Authority's Investment Officer. Mr. Frohme said that he did not have the opportunity to complete his research on this matter and he suggested that it be continued to be discussed at a later date. The members of the Authority unanimously agreed to continue this matter to discuss at a later date.

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 mentioned that the State now requires that each member of a Special District complete a 4-hour Ethics Online Training Course. Ms. Yates then asked if the Authority's UEI #, is required to be renewed annually? Tim Wranovix said yes, it is.

The Chairman next asked when the Authority's next meeting should be held. After a brief discussion, it was agreed that the Authority's next meeting will be held on September 19, 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 Mr. Frohme and seconded by Mr. Vilalobos, the meeting was adjourned at 5:25 p.m.

Respectfully submitted,



A handwritten signature in blue ink, appearing to read 'E. Barletta', is written over a horizontal line.

E. Walter Barletta, Chairman



A handwritten signature in blue ink, appearing to read 'Kirk Frohme', is written over a horizontal line.

Kirk Frohme, Secretary

Approved at the September 19, 2024,
Meeting of the Housing Finance
Authority of Lee County, Florida