

**Lee County Board Of County Commissioners**  
 Agenda Item Summary

Blue Sheet No:20021036

**1. REQUESTED MOTION**

**ACTION REQUESTED:** Adoption of Resolution which consents to the actions taken by the Housing Finance Authority of Lee County, Florida pertaining to the issuance of Single Family Mortgage Revenue Bonds Series 2003.

**WHY ACTION IS NECESSARY:** Ratification of such action is required under Florida Statutes Chapter 159.

**WHAT ACTION ACCOMPLISHES:** Action will allow the Housing Finance Authority of Lee County, Florida to issue its Mortgage Revenue Bonds for single family financing home ownership in participation with various other counties in Florida and to provide affordable housing opportunities for low, moderate and middle income families in Lee County and other Florida Counties.

**2. DEPARTMENTAL CATEGORY:** 04  
**COMMISSION DISTRICT #:** CW

*C4C*

**3. MEETING DATE:**  
 09-24-2002

**4. AGENDA:**  
 CONSENT  
 ADMINISTRATIVE  
 APPEALS  
 PUBLIC  
 WALK ON  
**TIME REQUIRED:**

**5. REQUIREMENT/PURPOSE: (Specify)**  
 STATUTE  
 ORDINANCE  
 ADMIN. CODE  
 OTHER

**6. REQUESTOR OF INFORMATION:**  
**A. COMMISSIONER** N/A  
**B. DEPARTMENT** Community Development  
**C. DIVISION** Planning  
**BY:** Paul O'Connor, AICP, Planning Director

**7. BACKGROUND:** On January 16, 2002, the Housing Finance Authority of Lee County, Florida, adopted a Resolution approving the issuance of its Single Family Mortgage Revenue Bonds Series 2003 in an amount not to exceed \$99 million. In order to issue these bonds, and to participate with other Florida counties, the Lee County Board of Commissioners must adopt a resolution which provides the following:

1. Approves the issuance of bonds by the Housing Finance Authority of Lee County, Florida.
2. Ratifies the actions of the Housing Finance Authority of Lee County, Florida, including conducting the Tax Equity and Fiscal Responsibility (TEFRA) Public Hearing held on July 17, 2002.
3. Approves the use of private activity allocation in the program.

The Bond program will provide low interest rate mortgage money for single family housing for low, moderate, and middle-income residents who are first time home buyers in Lee County and other participating counties. Under this offering, the Lee County Board of Commissioners will have no financial or administrative costs.

In accordance with 159.612(4) F.S. "The bonds issued pursuant to the provisions hereof, and the bonds shall so state on their face, shall not be a debt of the county or the state, or any political subdivision thereof; and neither the county, nor any state or political subdivision thereof, shall be liable thereon; nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of the housing finance authority."

**Attachments:**

- Proposed Resolution by the Board of County Commissioners.
- Housing Finance Authority of Lee County Minutes of January 16, 2002, authorizing the proposed issuance of Single Family Mortgage Revenue Bonds Series 2003 up to \$99 million.
- Housing Finance Authority of Lee County Resolution 02-01 of July 17, 2002.
- Ad for the July 17, 2002, Public Hearing.
- Minutes of the TEFRA Public Hearing on July 17, 2002.

**8. MANAGEMENT RECOMMENDATIONS:**

**9. RECOMMENDED APPROVAL:**

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
					OA	OM	Risk	GC	
<i>M. G. (Miss)</i>		N/A	N/A	<i>W. D. G. G. G.</i>	<i>APD 9/9/02</i>	<i>45 9/11/02</i>	<i>88 09/11/02</i>	<i>88 9/11/02</i>	<i>[Signature]</i>

RECEIVED BY  
 COUNTY ADMIN. *TD*  
 9-9-02  
 9:15  
 COUNTY ADMIN.  
 FORWARDED TO: *BH*  
 9/12 12:00

REC'D  
 by CO. ATTY  
 3:40  
 CO. ATTY  
 FORWARDED TO  
 Budget  
 8:45 AM

**10. COMMISSION ACTION:**

- APPROVED  
 DENIED  
 DEFERRED  
 OTHER

RESOLUTION No. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF LEE COUNTY, FLORIDA, APPROVING THE ISSUANCE BY THE HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA, OF AN AMOUNT NOT TO EXCEED \$99,000,000.00 OF ITS SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2003, PURSUANT TO SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 159, Part IV, Florida Statutes (the "Act") authorized counties to create housing finance authorities to exercise powers of the Act within their boundaries or outside their boundaries with the consent of the governing body of the territory outside their area of operation; and

**WHEREAS**, The Board of County Commissioners of Lee County, Florida, created the Housing Finance Authority of Lee County, Florida (the "Authority"), by Resolution No. 81-8-19 adopted on August 19, 1981, and Ordinance 81-37 adopted on August 19, 1981, and authorized the Authority to exercise all powers under the Act; and

**WHEREAS**, on January 16, 2002, at a duly called public meeting and on motion duly made and seconded, the Authority unanimously adopted a Resolution authorizing the issuance of its Single-Family Mortgage Revenue Bonds, Series 2003, in the aggregate principal amount of not to exceed \$99,000,000.00 (the "Bonds"). The net proceeds of the Bonds, if issued, are to be loaned by the Authority to first time home buyers in Lee County and various other counties in Florida in connection with the Authority's multi-county Single-Family Mortgage Revenue Bond offering, Series 2003. The purpose of the bond offering is to provide affordable housing opportunities for low, moderate and middle income families in Lee County and other participating Florida counties.

**WHEREAS**, Section 147(f) of the Internal Revenue Code of 1986, as amended (hereinafter the "Code"), requires public approval of certain private activity bonds by the applicable elected representative or governmental unit following a public hearing, and the Board of County Commissioners of Lee County, Florida (the "Board"), constitutes the applicable elected representative and governmental unit; and

**WHEREAS**, pursuant to Section 147(f) of the Code, a public hearing was scheduled before the Authority for July 17, 2002, and notice of such hearing was given in the form required by the Code; and

**WHEREAS**, on July 17, 2002, the Authority held the public hearing and provided at such hearing reasonable opportunity for all interested individuals to express their views, both orally and in writing, on the issuance of Bonds; and

# HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA

## MINUTES OF REGULAR MEETING

January 16, 2002

5:45 p.m.

On Wednesday, January 16, 2002, at 5:45 p.m., in the First Floor Conference Room of the Administration Building, 2115 Second 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 L. Burnett, counsel for the Authority, was present and called the roll. Walter Barletta, Virginia Yates, Walter Ferguson, and Michael Villalobos were present when the meeting commenced and Thomas Birch arrived shortly thereafter.

Also in attendance at the meeting were Phil Harloff with Raymond James and Associates, Inc. ("Raymond James"), the Authority's managing underwriter, Bonnie Wise with William R. Hough & Co. ("Hough"), a co-managing underwriter, Michael Watkins, Esquire with Nabors, Giblin & Nickerson, P.A. (the "Authority's Bond Counsel") Lakshmi McGrath with First Southwest Company ("First Southwest"), the Authority's financial advisor, and Scott Schuhle with U.S. Bank Trust National Association ("U.S. Bank").

The Chairman suggested that the Authority address the approval of the Authority's Minutes for its December 12, 2001, Regular Meeting. On motion duly made by Walter Ferguson and seconded by Michael Villalobos, the Authority approved the minutes of its December 12, 2001, Regular Meeting.

The Chairman then suggested that the Authority address Item IV on its Agenda, i.e., consider, discuss and vote on approval of the form of various documents for the Authority's 2002 Single Family Mortgage Revenue Bond Program (the "Authority's 2002 Single Family Program"). The Chairman recognized Mr. Watkins. Mr. Watkins presented the Chairman with a Resolution approving the various documents for the Authority's 2002 Single Family Program. He said that the Resolution and the documents attached to it were very similar to the Authority's prior Single Family Mortgage Revenue Bond Programs. The Chairman recognized Mr. Harloff. Mr. Harloff suggested that in conjunction with having the Authority approve the Resolution and various documents, the Authority should consider whether or not it wants to add additional volume cap allocation in Region 8 to this offering so that it would not be lost to the Region. He said that he had given each of the members of the Authority a Sources Of Funds sheet with a breakdown of the tax exempt volume cap

allocation for the Region for 2002. He then briefly reviewed it with the members of the Authority and a discussion of the matter took place. Shortly thereafter, on motion duly made by Michael Villalobos and seconded by Walter Ferguson, the members of the Authority unanimously adopted the Resolution and approved the form of the various documents attached thereto for the Authority's 2002 Single Family Program and granting the Chairman the authority to make whatever suggested changes to the documents that Authority's Professional Staff may make to them.

The Chairman then suggested that the Authority address Item V on the Agenda dealing with the Authority's consideration, discussion and vote on the approval of a Resolution authorizing the issuance by the Authority, as Issuer, either singly or jointly with various other participating counties, of its Single Family Mortgage Revenue Bonds, Series 2003, in the aggregate principal amount of not to exceed \$99,000,000.00 (the "Authority's 2003 Single Family Program"). The proceeds of such bonds are to be used to finance and provide capital for investment to fund purchases of mortgage loans to qualified first-time homebuyers for the construction, purchase or rehabilitation of affordable single family housing located within the participating Florida counties, including Lee County, to be occupied primarily by first-time home buyers of moderate, middle or lesser income within Lee County and various other participating counties in the State of Florida. The Bonds will not constitute a debt of the State of Florida, the Authority, or of any other participating Housing Finance Authorities or Counties, but will be payable solely from payments made from the revenues generated from the housing program. The Chairman then called on Mr. Burnett. Mr. Burnett said that this matter had been put on the Authority's Agenda because he and the Chairman assumed that the members of the Authority wanted to have a Single Family Bond Program next year so they thought that it would be a good idea to try to take all of the necessary steps to have it approved by the Authority and the Lee County Board of County Commissioners as early as possible. He said that the Resolution was basically the same Resolution that the Authority had adopted in previous years for its issuance of Bonds for its prior Single Family Mortgage Revenue Bond Programs. In addition, he said that the Authority needed to adopt the proposed Resolution so that it can be included in a package that the Authority submits to the Lee County Board of County Commissioners when they consider approving the Authority's issuance of the bonds and the conducting of the public hearing held in compliance with the Tax Equity and Fiscal Responsibility Act. He said that he had also published a Notice for a TEFRA hearing to be conducted during a break in the Authority's meeting but he had recently learned that the TEFRA hearing is only good for a year so that it will have to be conducted later in the year because the closing on the Authority's Single Family Bond Programs usually takes place in February or March of each year. After a very brief discussion, on motion duly made by Walter Ferguson and seconded by Thomas Birch, the members of the Authority unanimously approved the adoption of the Resolution authorizing the Authority's issuance of its Single Family Mortgage Revenue Bonds, Series 2003, in connection with the Authority's 2003 Single Family Program.

The Chairman then suggested that the Authority address Item number VI on the Agenda dealing with the Authority's selection of the following entities to assist in the

Authority's 2003 Single Family Program: Raymond James and Associates, Inc., as Senior Underwriter Manager and William R. Hough and Co., as Underwriting Co-Manager, First Southwest Company, as Financial Advisor, U.S. BANK, as Trustee, and Countrywide Home Loans, as Master Servicer/Program Administrator. After a brief discussion and on motion duly made by Walter Ferguson and seconded by Michael Villalobos, the Authority unanimously agreed to hire the entities mentioned above to assist the Authority in its 2003 Single Family Program.

The Chairman then suggested that the Authority address Item VII on its Agenda, i.e., to consider, discuss and vote on the Authority's entering into letters of understanding with DuFRESNE & ASSOCIATES, CPA, P.A. ("DuFRESNE") to conduct an annual audit of the statement of financial position of the \$6,160,000.00 Multifamily Housing Revenue Bonds, Series 1999A (The Crossings at Cape Coral Apartments Project) beginning with the year ending as of June 1, 2000. The Chairman recognized Mr. Burnett. Mr. Burnett said that this matter had been discussed at the Authority's last meeting and that Scott Schuhle, with U.S. Bank, the Trustee on this Project, and Mr. Harloff had confirmed that the Trust Indenture for The Crossings At Cape Coral Apartments Project ("The Crossings") does provide for an annual audit of statement of financial position of The Crossings. He said that at the last meeting the Authority had requested that he review the proposed letters of understanding and to confirm that they state what Mr. Harloff had agreed to and that they are consistent with the Trust Indenture for The Crossings Project. He said that he had done so and made certain minor revisions to the proposed letters of understanding that he thought would be acceptable to DuFRESNE and that if they were acceptable to the Authority, that this matter could probably be taken care of rather easily. He said that he had tried to reach Linda DuFresne on the telephone to go over the proposed changes but that he had been unsuccessful in doing so. He then briefly went over the suggested changes in the letters of understanding and handed Mr. Villalobos his marked up copy of the letter of understanding for his review. Next, he said that if the Authority would approve the revised letter of understanding, he would contact DuFRESNE and see if the changes were agreeable to them and, if so, ask them to put the changed letter of understanding on their letterhead, execute it and send it back to him and he would have the Chairman sign it so that this matter could be concluded. After a brief discussion, on motion duly made by Michael Villalobos and seconded by Thomas Birch, the members of the Authority unanimously approved the letter of understanding as modified and authorized Mr. Burnett to proceed as he suggested to conclude the Authority's entering into of the letter of understanding with DuFRESNE.

The Chairman then suggested that the Authority address Item VIII on its Agenda, i.e., to consider, discuss and vote on the Authority's entering into an Agreement with MuniFinancial to provide Arbitrage Rebate Consulting Services for the Authority's \$6,160,000.00 Multifamily Housing Revenue Bonds, Series 1999A (The Crossings at Cape Coral Apartments Project). The Chairman once again recognized Mr. Burnett. Mr. Burnett said that the proposed Agreement with MuniFinancial was substantially different from the DuFRESNE letter of understanding and that he needed to discuss it with them to determine exactly what the proposed relationship is to be. He said that among other

things, the proposed Agreement is for thirty years, which is not what he thinks the deal is. Therefore, he suggested that this matter be tabled until the Authority's February 2002 meeting so that he can have time to discuss the matter with MuniFinancial. On motion duly made by Thomas Birch and seconded by Virginia Yates, it was unanimously agreed that this matter should be tabled until the Authority's February 2002 meeting.

The Chairman then suggested that the Authority address Item number IX on the Agenda, i.e., to consider, discuss and vote on the release of funds from the lien of the respective Indenture to the Authority from the Capitalized Interest Funds for Subseries 2, 3, 5, and 7 of the Authority's Single Family Mortgage Revenue Bonds, Series 1998A and 1998B and the disbursement of funds from the Trustee. Mr. Burnett said that he had received a package indicating that the funds could be disbursed to the Authority and that he wanted to make sure that the Authority dealt with the matter. Mr. Schuhle and Mr. Harloff said that the matter had already been approved by the Authority but that they were just waiting on verification for the Trustee to disburse the funds to the Authority. Accordingly, no further action was necessary on this matter by the Authority.

The Chairman then suggested that the Authority address other matters that anyone wanted to bring before the Authority. He then addressed Mr. Harloff. Mr. Harloff said that the Standard & Poors Conference in San Antonio, Texas was coming up soon and he asked if any of the members of the Authority were planning on attending or needed any assistance in making reservations. Mr. Ferguson said that he was planning on attending but the rest of the members said that they would probably not be able to make it. Mr. Harloff said that the next thing that he wanted to address was the necessity of having another Regional meeting and, if so, when. A general discussion then took place during which the Chairman suggested that four dates for possible Regional meetings be picked so that everyone can reserve the time on their calendars even if it is ultimately determined that one or more of the meetings were not needed and cancelled. It was then agreed that March 20, 2002, June 19, 2002, September 18, 2002, and November 13, 2002 would be the tentative dates for Regional meetings this year. It was also agreed that the following items should be put on the Agenda for the next Regional meeting: (a) deadline for receipt of Applications for funding for multifamily projects; (b) ranking of multifamily projects; and (c) discussion of finding a mechanism for the Chairman or representative from each Housing Finance Authority or County in Region 8 to have authority to make decisions or suggestions on how to proceed on various issues on behalf of their respective entity.

The Chairman again recognized Mr. Harloff. Mr. Harloff said that the only other thing that he wanted to bring before the Authority was the scheduling of the closings on the various multifamily projects. He said that the University Club Project in Sarasota County is presently scheduled to close at the end of February. He said that the Willow Creek Associates Project, which is also in Sarasota County, is presently scheduled to close on March 2 or April 2. He said that the Heron Pond Project is scheduled to close around May 2, 2002. He concluded by saying that the Monroe County Project is presently scheduled to close at the end of March or the early part of April.

The Chairman next recognized Scott Schuhle. Mr. Schuhle said that the only thing that he wanted to bring before the Authority was an outstanding \$1,000.00 invoice from Moody's for their rating confirmation for the extension of the Authority's 2001 Single Family Bond Program. He said that it was budgeted for but that he just wanted the Authority to approve the payment of the invoice. Immediately thereafter, on motion duly made by Virginia Yates and seconded by Thomas Birch, the members of the Authority unanimously authorized the Trustee to pay the \$1,000 invoice from Moody's referred to above.

The Chairman then recognized Mr. Burnett. Mr. Burnett said that he had received a couple of letters from a Trust Review Analyst with U.S. Bank concerning certain compliance issues with the Authority's Series 1997 A1/B1 and its Series 1999 A1/B1, A2/B2, & A3 Single Family Revenue Bonds, that he had forwarded them on to Mr. Schuhle and that he wanted to know if the Authority was required to do anything in connection with these letters. Mr. Schuhle said that they were internal communications that should not have been forwarded to Mr. Burnett, that he was dealing with, and that the Authority did not have to do anything nor did it have to respond to them. Mr. Burnett said that the next thing that he wanted to bring before the Authority was a request for direction from the Authority's Credit Underwriter, Seltzer Management. He said that Ben Johnson with Seltzer Management had advised him that there are apparently two types of credit underwriting that they can do, a full blown one and a more streamlined version. He said that the Florida Housing Guaranty Fund uses the full blown version and that a number of the other local Housing Finance Authorities around the State use the streamlined version. Mr. Burnett said that he had given each of the members a copy of a streamlined credit underwriting for a multifamily project in Orange County for their review. After a brief discussion and on the recommendation of Mr. Harloff, on motion duly made by Virginia Yates and seconded by Walter Ferguson, the members of the Authority unanimously agreed that a full blown credit underwriting should be done on the Heron Pond Project and the Willow Creek Associates Project and that a streamlined credit underwriting should be done on the University Club Project.

The Chairman then said that he had a number of things that he wanted to bring before the Authority. He said that he wanted to bring the members of the Authority up to date on what had transpired at the Southwest Florida Regional Planning Council meeting that he, Mr. Burnett and Don Hadsell with Sarasota County had attended, the meeting of the Lee County Industrial Development Authority that he and Mr. Burnett had attended and the Lee County Board of County Commissioners meeting that he and Mr. Burnett had attended. He then gave the members a brief summation of what took place at each of the above meetings. He also said that he was very proud of the support that Commissioner John Albion had expressed for the Authority and the manner in which it had been able to work with the other Housing Finance Authorities and Counties in Region 8. He said that Commissioner Albion had made it a point at the Lee County Board of County Commissioners' meeting to formally thank him, the other members of the Authority, Mr. Burnett, and Gloria Sajgo with the County Staff for their individual and collective good work. He also said that Commissioner Albion had requested that representatives from the

Authority appear for a workshop with the Lee County Board of County Commissioners so that we can explain exactly what the Authority does and how we do it. He concluded by saying that the members of the Authority would be advised as to when the workshop is to be held.

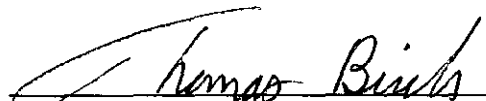
The Chairman next recognized Bonnie Wise. Mrs. Wise said that she had remembered something that she wanted to share with the Authority. She said that one of the other Regions was trying to follow Region 8's example of working together with respect to agreeing on to how to allocate the tax exempt volume cap allocation in their Region. She said that they thought that they had it all worked out so that each of the Housing Finance Authorities would be able to receive the agreed to allocation. However, it apparently did not work because a private utility in the Region made an allocation request for tax exempt volume cap allocation that no one knew about. As a result, even though the Region attempted to work matters out amongst themselves it did not work.

The Chairman again addressed Mr. Harloff. Mr. Harloff asked if the Authority was going to review and update its Application Procedures and Multifamily Guidelines (the "Multifamily Guidelines") again this year. After a brief discussion, it was agreed that the Authority should do so and it was agreed that the matter should be placed on the Authority's Agenda for its February meeting.

The Chairman then recognized Mr. Harloff and Mr. Burnett. They reminded the members of the Authority that the Authority had not yet formally determined how much of the Region's tax exempt volume cap allocation should be put in the Authority's 2002 Single Family Program, if any. After a brief discussion and on motion duly made by Walter Ferguson and seconded by Thomas Birch, the members of the Authority unanimously agreed that the Authority should reserve \$5 million of the Region's tax exempt volume cap allocation for the Bonita Springs Utility Project as agreed until they see if they get funding from some other source, that \$3.4 million of it should be reserved for the Housing Finance Authority of Collier County until they determine whether or not they are going to use it, and that the remaining available tax exempt volume cap allocation should be put into the Authority's 2002 Single Family Program.

There being no further business to come before the Authority, on motion duly made by Virginia Yates and seconded by Thomas Birch, the meeting was adjourned at 6:43 p.m.

Respectfully submitted,

  
Thomas Birch, Secretary

Approved at the 2/20/2002  
Meeting of the Housing Finance  
Authority of Lee County, Florida



**RESOLUTION 02-01**

**A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA, AUTHORIZING THE PURCHASE FROM LENDING INSTITUTIONS OF BELOW MARKET INTEREST RATE MORTGAGE LOANS MADE TO MODERATE, MIDDLE OR LESSER INCOME FAMILIES FOR THE CONSTRUCTION, PURCHASE OR REHABILITATION OF QUALIFYING HOUSING DEVELOPMENTS; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$99,000,000.00 SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2003, (MULTI-COUNTY PROGRAM), OF THE AUTHORITY, FOR THE PURPOSE OF FUNDING THE PURCHASES OF SUCH MORTGAGE LOANS; PROVIDING THAT SUCH BONDS SHALL BE PAYABLE SOLELY FROM THE REVENUES HEREIN PROVIDED THEREFOR; PROVIDING FOR IMPLEMENTATION OF THE HOUSING PROGRAM AND ITS FINANCING THROUGH A TRUST INDENTURE SECURING THE HOLDERS OF SUCH BONDS, A MORTGAGE ORIGINATION AGREEMENT WITH PARTICIPATING LENDING INSTITUTIONS AND A PROGRAM ADMINISTRATION AND MASTER SERVICING AGREEMENT WITH A LOAN ADMINISTRATOR; PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA, that:**

**SECTION 1. AUTHORITY.** This resolution is adopted pursuant to the provisions of the Florida Housing Finance Authority Law, being Part IV of Chapter 159, Florida Statutes, Ordinance 81-37 duly enacted by the Board of County Commissioners of Lee County, Florida, on August 19, 1981, and other applicable provisions of law (hereinafter collectively referred to as the "Act").

**SECTION 2. FINDINGS AND DETERMINATIONS.** The Housing Finance Authority of Lee County, Florida (the "Issuer") hereby finds and determines as follows:

**A.** The Issuer has been duly and validly created under the Act and is authorized and empowered thereunder to assist in alleviating the shortage of housing in Lee County, Florida (the "County"), for eligible persons and families of moderate, middle or lesser income, and alleviating the shortage of capital available for investment in such housing; to purchase or make commitments to purchase from "lending institutions" (as that term is defined in the Act) mortgage loans, including federally insured and guaranteed mortgage loans, and promissory notes executed in connection with such mortgage loans (the "Loans"), made for the construction, purchase and rehabilitation of "housing

developments" (as that term is used in the Act); and to issue and deliver revenue bonds of the type hereinafter described to provide funds from which Loans may be purchased.

**B.** There is a shortage in Lee County, Florida (the "County"), of housing available at prices which many persons or families of moderate, middle or lesser income can afford, which shortage has been found by the Legislature of the State of Florida and the Board of County Commissioners of the County to constitute a threat to the health, safety, morals and welfare of the State and the County, to deprive the State and the County of an adequate tax base and to cause the State and the County to make extra expenditures for crime prevention and control, public health, welfare and safety, fire and accident protection, and other public services and facilities.

**C.** Factors contributing to the shortage of affordable housing and capital available for investment in such housing include (i) an increase in the population of the County without a corresponding increase in the construction of new single family housing units, (ii) a decline in the quality of the existing housing stock and an increase in the number of substandard units in the County, (iii) an increase in the median price of a home at a rate far in excess of the increase in family income over the same period, and (iv) a significant escalation in the interest rates from conventional private sources which, under current lending practices, has prevented many County residents from purchasing sanitary, decent and safe housing. Although existing federal moderate, middle and lesser income housing programs are available to some County residents, those programs are not available to many families who are unable to afford decent, safe and sanitary housing.

**D.** The use of public funding to stimulate Loans at reduced rates and favorable loan to value ratios will stimulate the construction of new housing at affordable prices and will also assist in alleviating the shortage of existing affordable housing by making below market interest rate loans at favorable terms available to eligible moderate, middle and lesser income persons, thereby enabling such persons to purchase or otherwise finance sanitary, decent and safe housing that they could not otherwise afford.

**E.** Many persons and families require such assistance as is made available pursuant to the provisions of the Act to purchase decent, safe and sanitary housing in the County. Persons and families meeting the criteria of "Eligible Persons and Families" as defined herein constitute "eligible persons" within the meaning of the Act.

**F.** Each housing unit presently in existence or hereafter constructed meeting the criteria of a "Single Family Residence" as defined herein that is now, or hereafter becomes, affordable to Eligible Persons and Families at the lower interest rates made available by the issuance of the Bonds, hereinafter described, constitutes a housing development under the Act.

**G.** To avoid potential abuse and to insure proper utilization of the Loan program only by persons in need of the assistance herein contemplated, the Issuer shall purchase only Loans the proceeds of which were used to purchase Single Family

Residences having a purchase price or appraised value, whichever is less, which does not exceed the Maximum Acquisition Price, as defined by the Authority in accordance with the applicable law. The Issuer recognizes that inflationary housing and cost of living increases after the date of adoption of this resolution may warrant corresponding increases in this amount prior to the delivery of the Bonds, hereinafter described. Consequently, the Issuer hereby retains the right to make such adjustments.

H. Each Participant to be invited to participate in the program must qualify as a "lending institution" as that term is defined in the Act.

I. It is desirable and in the public interest to provide funds to purchase Loans made by Participants to Eligible Persons and Families for the purchase of Single Family Residences by the issuance of bonds to be designated "Housing Finance Authority of Lee County, Florida, Single Family Mortgage Revenue Bonds, Series 2003 (Multi-County Program)" in the aggregate principal amount of not exceeding \$99,000,000.00 (the "Bonds"), pursuant to the terms of a Trust Indenture to be entered into between the Issuer and a bank or trust company, to be named by subsequent resolution (the "Master Trust Indenture").

J. The Bonds are hereby authorized and shall be payable from and secured by a pledge and assignment of the Mortgage Notes and related mortgages, the proceeds thereof, certain insurance proceeds, certain reserve funds and the rights to the Issuer under a Mortgage Origination Agreement to be entered into between the Issuer, the Trustee, a program administrator to be selected by the Issuer by subsequent resolution, and the Participants. The Bonds and the interest thereon will not constitute a debt, liability, general or moral obligation, or a pledge of the faith or loan of the credit of the Issuer, the County, the State of Florida or any political subdivision thereof, nor the Participants. Neither the Issuer, the County, the State of Florida or any political subdivision thereof nor any Participant shall be liable thereon, nor in any event shall such Bonds or obligations be payable out of any funds or properties of the Issuer other than those funds or properties of the Issuer arising out of or in connection with, and only to the extent expressly provided, in the Trust Indenture.

K. The Issuer may enter into interlocal agreements with other governmental units of the State of Florida, which interlocal agreements shall be in conformity with the requirements of Chapter 163, Florida Statutes, as amended, in order to cooperate and achieve economies of scale in the issuance of the Bonds and to expand, if necessary, the area of operation of the Issuer to include additional areas as authorized by Chapter 159, Part IV, Florida Statutes, as amended.

L. The findings described in this Section are hereby adopted as rules of the Issuer.

**SECTION 3. AUTHORIZATION OF ALL OTHER NECESSARY.** The proper officers of the Issuer are hereby further authorized to take all such additional necessary

action, and approves all action previously taken, on behalf of the Issuer as shall be necessary to implement the Loan program specified in this resolution, including, but not limited to, the holding of required public hearings, requesting approval of the Bonds and the program by the Board of County Commissioners of Lee County, Florida, applying for required allocations of bond volume cap from the State of Florida, and coordinating similar activities with respect to any other participating counties.

**SECTION 4. SEVERABILITY.** If any one or more of the covenants, agreements or provisions of this resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be invalid, then such covenants, agreement or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions, and shall in no way affect the validity of all other provisions of this resolution and the documents attached hereto.

**SECTION 5. EFFECTIVE DATE.** This resolution shall take effect immediately upon its adoption.

DATED this 16th day of January, 2002.

HOUSING FINANCE AUTHORITY  
OF LEE COUNTY, FLORIDA

BY:   
E. WALTER BARLETTA, Chairman

ATTEST:

By:   
THOMAS BIRCH, Secretary

(SEAL)

STATE OF FLORIDA  
COUNTY LEE

I, THOMAS BIRCH, Secretary of the Housing Finance Authority of Lee County, Florida, do hereby certify that the above and foregoing is a true and correct copy of the Resolution authorizing issuance of not exceeding \$99,000,000.00 Single Family Mortgage Revenue Bonds, Series 2003 (Multi-County Program), as the same was duly adopted at a regular meeting of the Authority on the 16th day of January, 2002, and as the same appears on record in the office of the records custodian for the Authority.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal this 16th day of January, 2002.

BY:

  
THOMAS BIRCH, Secretary

(SEAL)

**NEWS-PRESS**

*Published every morning - Daily and Sunday  
Fort Myers, Florida*

**Affidavit of Publication**

STATE OF FLORIDA  
COUNTY OF LEE

Before the undersigned authority, personally appeared

**Kieanna Henry**

who on oath says that he/she is the

**Asst. Legal Clerk** of the News-Press, a daily newspaper,  
published at Fort Myers, in Lee County, Florida; that the  
attached copy of advertisement, being a

**Notice of Public Hearing**

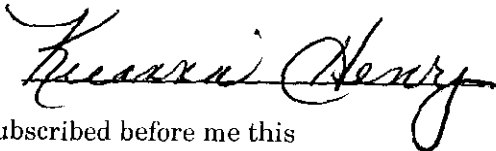
In the matter of **Public Hearing on 7/17/02**

in the \_\_\_\_\_ Court

was published in said newspaper in the issues of

**June 27, 2002**

Affiant further says that the said News-Press is a paper of general circulation daily in Lee, Charlotte, Collier, Glades and Hendry Counties and published at Fort Myers, in said Lee County, Florida and that said newspaper has heretofore been continuously published in said Lee County, Florida, each day, and has been entered as a second class mail matter at the post office in Fort Myers in said Lee County, Florida, for a period of one year next preceding the first publication of the attached copy of the advertisement; and affiant further says that he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.



Sworn to and subscribed before me this

27<sup>th</sup> day of June 2002 by

**Kieanna Henry**

personally known to me or who has produced

NOTICE OF PUBLIC HEARING CONCERNING THE HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA'S PROPOSED ISSUANCE OF ITS SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2003 IN AN AMOUNT OF NOT TO EXCEED OF \$99,000,000.00 AND ITS PARTICIPATION WITH OTHER PARTICIPATING COUNTIES. Public Notice is hereby given that the Housing Finance Authority of Lee County, Florida (the "Authority") will conduct a public hearing on Wednesday, July 17, 2002, at 5:35 p.m., or as soon thereafter as possible, at 2115 Second Street, Administration Building, First Floor Conference Room, Fort Myers, Florida, 33901, in accordance with the Tax Equity Fiscal Responsibility Act ("TEFRA") on the proposed issuance by the Authority of its Single Family Mortgage Revenue Bonds, Series 2003, in the aggregate principal amount of not to exceed of \$99,000,000.00. The proceeds of such bonds will be used to finance and provide capital for investment to fund purchases of mortgage loans to qualified first-time homebuyers for the construction, purchase or rehabilitation of affordable single family housing located within the participating Florida counties, including Lee County, to be occupied primarily by first-time home buyers of moderate, middle or lesser income within Lee County and various other participating counties in the State of Florida. The Bonds will not constitute a debt of the State of Florida, the Authority, or of any other participating Housing Finance Authorities or Counties, but will be payable solely from payments made from the revenues generated from the housing program. If any member of the general public wishes to be heard at the hearing he or she may do so by appearing in person at the time and place set forth above or by submitting their views in writing delivered at least 24 hours prior to the date and time of the meeting set forth above to Housing Finance Authority of Lee County, Florida, c/o Phila. Burnett, Esq.

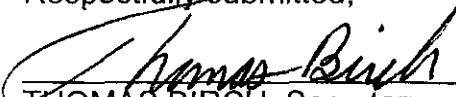
**HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA  
MINUTES OF PUBLIC HEARING**

On Wednesday, July 17, 2002, at 7:43 p.m., at the Administration Building, First Floor Conference Room, 2115 Second Street, Fort Myers, Florida, 33901, the Authority conducted a Public Hearing in accordance with the Tax Equity Fiscal Responsibility Act ("TEFRA"). The Chairman called the hearing to order and asked Philip L. Burnett, counsel for the Authority, to call the roll of the members, which he did. Walter Barletta, Walter Ferguson, Thomas Birch, and Virginia Yates were present at the hearing. Also in attendance at the hearing were Phil Harloff with Raymond James and Associates, Inc. ("Raymond James"), the Authority's managing underwriter, Robin Miller and Lakshmi McGrath with First Southwest Company ("First Southwest"), the Authority's financial advisor, Mike Watkins, Esquire with Nabors, Giblin & Nickerson, P.A. (the "Authority's Bond Counsel"), and Bonnie Wise with William R. Hough and Company ("Hough"), a co-managing underwriter. The Chairman informed those present that the purpose of the Public Hearing was to afford members of the general public an opportunity to be heard with respect to the following matter:

The issuance by the Authority, on behalf of the Authority of its Single Family Mortgage Revenue Bonds, Series 2003, in the aggregate principal amount of not to exceed \$99,000,000.00. The proceeds of such bonds will be used to finance the purchase of single family residences to be occupied primarily by first-time home buyers of moderate, middle or lesser income within Lee County and various other participating counties in the State of Florida. The Bonds will not constitute a debt of the State of Florida, the Authority, or of any other participating Housing Finance Authorities or Counties, but will be payable solely from payments made from the revenues generated from the housing program.

No members of the public were present. Accordingly, the Public Hearing was adjourned at 7:45 p.m.

Respectfully submitted,

  
THOMAS BIRCH, Secretary

Approved at the AUG 21, 2002  
meeting of the Housing Finance  
Authority of Lee County, Florida