

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

Blue Sheet No. 20051590

**1. ACTION REQUESTED/PURPOSE:** 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 2006.

**2. 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.

**3. MANAGEMENT RECOMMENDATION:** Approve

<b>4. Departmental Category:</b> 04' <span style="font-size: 2em; font-weight: bold; margin-left: 20px;">C4A</span>		<b>5. Meeting Date:</b> <span style="font-size: 1.5em; font-weight: bold; margin-left: 20px;">11-22-2005</span>
<b>6. Agenda:</b> <input checked="" type="checkbox"/> <b>Consent</b> <input type="checkbox"/> <b>Administrative</b> <input type="checkbox"/> <b>Appeals</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Walk-On</b>	<b>7. Requirement/Purpose: (specify)</b> <input checked="" type="checkbox"/> <b>Statute</b> F.S. 159 <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Admin. Code</b> <input type="checkbox"/> <b>Other</b>	
	<b>8. Request Initiated:</b> <b>Commissioner</b> N/A <b>Department</b> Community Development <b>Division</b> Planning <b>By:</b> Paul O'Connor, AICP, Planning Director <span style="font-size: 1.2em; font-weight: bold; margin-left: 20px;">JOC 11/21/05</span>	

**9. Background:** On July 20, 2005, the Housing Finance Authority of Lee County, Florida, adopted a Resolution approving the issuance of its Single Family Mortgage Revenue Bonds Series 2006 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 action of the Housing Finance Authority of Lee County, Florida, including conducting the Tax Equity and Fiscal Responsibility (TEFRA) Public Hearing held on June 15, 2005.
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 for 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 cost.

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 July 20, 2005, authorizing the proposed issuance of Single Family Mortgage Revenue Bonds Series 2006 up to \$99 million.
- Housing Finance Authority of Lee County Resolution of July 20, 2005
- Ad for the June 15, 2005, Public Hearing
- Minutes of the TEFRA Public Hearing held on June 15, 2005

**10. Review for Scheduling:**

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>WAM</i>	N/A	N/A	N/A	<i>[Signature]</i> 11/3/05	<i>RK FOR ID 11/3</i>	<i>11/3/05</i>	<i>11/3/05</i>	<i>11/3/05</i>	<i>[Signature]</i> 11-3-05

**11. Commission Action:**

- Approved**
- Deferred**
- Denied**
- Other**

RECEIVED BY  
COUNTY ADMIN:  
11/3  
1:05  
COUNTY ADMIN  
FORWARDED TO: *PP*  
11-3-05  
4:45 pm

Rec. by CoAtty  
Date: 11/3/05  
Time: 11:10 AM  
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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 2006, 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 July 20, 2005 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 2006, 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 2006. 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 June 15, 2005 and notice of such hearing was given in the form required by the Code; and

**WHEREAS**, on June 15, 2005 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

**WHEREAS**, no interested individual appeared to express comments or concerns;  
and

**WHEREAS**, the Board desires to express its approval of the action taken by the Authority in authorizing the issuance of the Bonds and as required by Section 147(f) of the Code; now therefore,

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA:**

Section 1. Because of the continuing shortage of affordable single-family housing and capital for investment therein in Lee County Florida, and the continuing impediments to a bond issue to alleviate such shortages as to single-family housing, it is hereby determined that the Board consents to the Authority exercising its powers to issue the Bonds and to the use of the proceeds of such Bonds to finance the single-family housing.

Section 2. In furtherance of the purposes set forth in Section 1 hereof, the Chairman or Vice Chairman of the Authority are hereby authorized to execute such consents, agreements or other documents as shall be required to implement the issuance of such Bonds, all as shall be approved by counsel to the Authority.

Section 3. The Board hereby approves, within the meaning of Section 147(f) of the Code, the issuance by the Authority of an amount not to exceed \$99,000,000.00 of its Single-Family Mortgage Revenue Bonds, Series 2006.

Section 4. Adoption of this Resolution does not authorize nor commit the expenditure of any funds of Lee County, Florida, or of the Authority to pay the costs of issuance of such Bonds.

Section 5. Adoption of this Resolution will not constitute a Debt, Liability, Obligation (either contractual or general), of a Pledge of the Faith or Loan of the Credit of Lee County with respect to the issuance of the Authority's not to exceed \$99,000,000.00 Single Family Mortgage Revenue Bonds, Series 2006, in any manner whatsoever.

Section 6. All ordinances and resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 7. This Resolution shall take effect immediately upon its adoption.

DULY ADOPTED in the regular session on the \_\_\_\_\_ day of \_\_\_\_\_, 2005.

LEE COUNTY BOARD OF COUNTY  
COMMISSIONERS

BY: \_\_\_\_\_  
Chairman

Date: \_\_\_\_\_

ATTEST:

CHARLIE GREEN, CLERK

By: \_\_\_\_\_

APPROVED AS TO FORM BY:

\_\_\_\_\_  
OFFICE OF COUNTY ATTORNEY

# HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA

## MINUTES OF REGULAR MEETING

July 20, 2005

5:37 p.m.

On Wednesday, July 20, 2005, at 5:37 p.m., in the offices of RAYMOND JAMES & ASSOCIATES, INC., 7920 Summerlin Lakes Drive, 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, Walter Ferguson, and Virginia Yates were present at the meeting. Thomas Birch and Michael Villalobos were absent with excused absences. Also in attendance at the meeting were Phil Harloff and Danielle Sampiero with Raymond James and Associates, Inc. ("Raymond James") the Authority's managing underwriter, Todd Turner with RBC DAIN RAUSCHER INC. ("RBC"), a co-managing underwriter, Mary Bert-Koelling 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 Trustee on the majority of the Authority's bond offerings.

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 Walter Ferguson and seconded by Virginia Yates, the Authority approved the minutes of the June 29, 2005, meeting of the Authority.

The Chairman then suggested that the Authority address Item IV on its Agenda, i.e., consider, discuss and vote on the Resolution authorizing the issuance by the Authority, as Issuer, either singly or jointly with various other participating counties, of its Single Family Multi-County Mortgage Revenue Bonds, Series 2006, in the aggregate amount of not to exceed of \$99,000,000. The Chairman recognized Mr. Burnett. Mr. Burnett said that this matter had been authorized by the Authority at its meeting on June 15, 2005, but that he had not brought the actual Resolution with him to that meeting. Accordingly, the approval of the Resolution is necessary to go forward with the proposed issuance of the Bonds. After a very short discussion, on motion duly made by Virginia Yates and seconded by Walter Ferguson, the members of the Authority unanimously approved Resolution 05-01 authorizing the Authority to issue its Single Family Mortgage Revenue Bonds, Series 2006, in connection with the Authority's proposed 2006 Single Family Program.

The Chairman then suggested that the Authority address Item V on its Agenda, i.e., consider, discuss and vote on the Authority's participation as a Co-Issuer with the Manatee County Housing Finance Authority (the "Manatee HFA") in a proposed Taxable Bond Program (the "Program") for borrowers not eligible for the Authority's Tax-Exempt Single Family Bond Program (the "Single Family Program"). After a brief discussion, it was agreed that this matter should be tabled until the Authority's next meeting.

The Chairman then suggested that the Authority address Item VI on its Agenda, i.e., consider, discuss and vote on the appropriate resolution of the deficiency in the Authority's 2000A1/B1 Single Family Bond Program (the "Program"). The Chairman recognized Mr. Michael Awadis, with Countrywide Homes Loans ("Countrywide"), who appeared by speaker telephone. The Chairman advised Mr. Awadis that Scott Schuhle and Phil Harloff had advised the members of the Authority of a deficiency in the above referenced Program due to the rapid repayment of mortgages in the Program, which was apparently far in excess of industry standards. He said that Mr. Schuhle had advised the members of the Authority that the shortfall was approximately \$35,000.00 plus, but that U.S. Bank was going to contribute all but \$18,500 plus of the short fall as a result of their actions and inactions. The net effect of which is that \$18,500 plus needs to be contributed to the Program by someone and that if the Authority had not previously authorized the Trustee to disburse monies to Countrywide the funds would have been available to cover the short fall. Mr. Awadis said that Countrywide had already applied the monies that they had previously received to monies owed to them, that it is difficult to get the monies back and that they cannot reverse an entry that is over three years old. He said that Countrywide could advance the funds to cover the \$18,500 plus deficiency but they need a reason to do so. The Chairman then recognized Mr. Harloff. Mr. Harloff said that the problem arose due to the fact that \$22,000 from the Program was remitted back to Countrywide in January of 2002 based on cash flow analysis consistent with industry standards. He said that no one expected the mortgages to prepay at the rate that they did. However, given that the mortgages prepaid so rapidly, the Program did not generate the income from the mortgages that it normally would have. This resulted in the deficiency. The Chairman then asked Mr. Schuhle if he had reviewed all of the Authority's other Single Family Bond Program to see if there is a similar problem with any of them. Mr. Schuhle said that he had and that all of the Authority's Single Family Bond Programs that they manage are in parity. The Chairman then said that it appeared that the Authority would have to cover the \$18,500 deficiency and the question was from where and when. He asked Mr. Schuhle how soon the deficiency needed to be covered. Mr. Schuhle said that the funds to cover the deficiency should be in the account by the end of July 2005. The Chairman again recognized Mr. Harloff. Mr. Harloff said that the funds could come out of the Authority's 2004 Single Family Bond Program ("2004 Program") if the Authority authorized the disbursement of an aggregate amount of \$50,000 from the funds that the Authority had contributed to its 2004 Program. He said that the 2004 Program provides that if the funds that were contributed were not used to fund negative arbitrage, the funds would be split between the Authority and Raymond James. Accordingly, if the Authority would authorize the disbursement of \$50,000 from the 2004 Program, the Authority would

receive \$25,000 and Raymond James would receive \$25,000. Further, Raymond James would assume the risk for any shortfall or negative arbitrage. As a result, the Authority could use \$18,500 to cover the deficiency in the Program. The Chairman recognized Mr. Burnett. Mr. Burnett said that the Authority's use of funds from the 2004 Program was not on the Agenda for this meeting and it was not publicly noticed. He said, as a result, he did not think that the Authority could consider the matter at this meeting. The Chairman then recognized Ms. Yates. Ms. Yates said that the Authority could take the \$18,500 to fund the deficiency out of its surplus funds. After considerable discussion, on motion duly made by Mr. Ferguson, the members unanimously approved of the withdrawal of \$18,500 from the Authority's surplus funds to pay the \$18,500 plus prepay the shortfall and authorized the Treasurer and Chairman to transfer the funds to U.S. Bank.

The Chairman next suggested that the Authority address Item VII on the Agenda, i.e., to consider and discuss the Authority's account with the Federal Home Loan Bank Board (the "FHLBB") and the Authority's investment with the Florida Municipal Investment Trust (the "FMIT"). The Chairman inquired as to the present status of the Authority's account with the FHLBB. Mrs. Koelling said that the account had been drawn down to \$5 million and that it could be drawn down further if the monies are not needed for any of the Authority's 2004 Program. The Chairman said that it was his recollection that the Authority had authorized First Southwest to implement the reduction of the FHLBB account down to zero if the funds were not needed for the 2004 Program. Mr. Burnett said that the Minutes of the Authority's June 29, 2005, meeting reflect just what the Chairman had said. The Chairman recognized Mr. Harloff. Mr. Harloff said that the Authority's account with the FHLBB should be maintained at \$5 million for 2004 Program. Based upon the above, it was unanimously agreed that the Authority did not need to take any further action on this matter at this time.

The Chairman then suggested that the Authority address Item VIII on the Agenda, i.e., such other matters as may come before the meeting. The Chairman recognized Mr. Burnett. Mr. Burnett said that he had received a phone call from Gladys Schneider with Habitat For Humanity ("Habitat") and that she had asked if he and Mr. Ferguson could meet with Mrs. Schneider and the President of Habitat on Friday, July 22, 2005, to discuss the possibility of the Authority issuing tax exempt bonds to finance their possible acquisition of one or two multifamily rental projects. He said that the details were a little sketchy so he could not shed much light on what was going on but that Mrs. Schneider had indicated that Habitat would have to move pretty fast if they were going to be able to purchase the Projects. He said that he had also received a call from the prospective buyer of The Brittany Phase II ("The Brittany") inquiring as to what needs to be done to get the Authority's consent to transfer ownership to the new owner. He said that he had advised them that the owner of The Brittany would have to request the Authority's approval in writing and that the Authority would consider it at its next scheduled meeting assuming that the matter could be publicly noticed. He concluded by saying that he had just talked to Marcus Goodson, the Executive Director of the Fort Myers Housing Authority and that he had advised Mr. Burnett that they think that they have a pretty good chance of having the HOPE VI Project being funded by HUD. Mr. Ferguson said that he had also

talked to Mr. Goodson and that he had heard the same thing.

The Chairman next recognized Mr. Harloff. Mr. Harloff advised the members that the Authority had earned better than \$4,000 by buying and warehousing mortgage certificates in its 2004 Program. He then asked if the members wanted to continue to buy mortgage certificates. Mr. Burnett suggested that a discussion of the matter be put on the Agenda for its next meeting and that it not be considered at this meeting due to the fact that it was not properly noticed. Mr. Harloff then informed the members that he believes that the Rolling Green South Project in Sarasota County would not go forward due to the fact that they are selling the property.

The Chairman then inquired as to whether or not it would be necessary to have an Authority meeting in August. He said that he was not sure that it was necessary for the Authority to meet every month, particularly given that a lot of the things on the Authority's Agenda just seem to get rolled over to the next Authority meeting. He said that it might be possible for the Authority to meet every other month instead of every month. Mr. Burnett said that he concurred but that it might be necessary to have a meeting in August if the Authority wanted to try to accommodate Habitat if they intend to seek the Authority's assistance and go forward with their proposed purchase the two multifamily projects. The Chairman then suggested that it might be appropriate to have an Authority meeting in August and skip an Authority meeting in September. He also suggested that it might be a good idea to have a Regional meeting in August if the other Regional participants can make it. After a brief discussion, it was agreed that Mr. Harloff would check with the other Regional participants and that, if they can make it and the space is available, the Authority would have its August meeting on August 24<sup>th</sup> immediately following a Regional meeting. It was also agreed that the following matters would be on the Authority's Agenda for its August meeting: (1) the Habitat matter; (2) The Brittany matter; (3) the disbursement of \$50,000 from the Authority's 2004 Program; (4) participation with the Manatee County Housing Finance Authority in a taxable bond issue; (5) the Authority's buying and warehousing of mortgage certificates in its 2004 Program; (6) the Authority's 2005/2006 Budget.

The Chairman then recognized Ms. Sampiero. Ms. Sampiero advised the members of the Authority that its 2004 Program was progressing very well. She said that approximately \$6 million of funds have been used to date.

The Chairman next recognized Ms. Yates. She said that she had talked to Joe with the Palm Beach Housing Finance Authority ("Palm Beach Authority") at the Florida ALHFA Conference in Key West and that he had indicated that Palm Beach Authority was doing an Adult Living Facility in Belle Glade and that they seemed to have a lot going. She inquired as to what the Authority could do to get more affordable housing. She said that she thinks that the members of the Authority need to get more active politically. She also inquired as to whether or not the State Government was trying to get rid of or force out the local housing finance authorities. A discussion then took place as to what is going transpiring on a State and local level as far as affordable housing and the use of Sadowski



Act funds.

The Chairman agreed with Ms. Yates that the Authority and its members need to become more active politically. He said that the State Legislature had recently enacted a law which adopted the International Building Code ("Code"), which is going to make affordable housing even more expensive. He said that certain portions of the Code do not make sense, that they are unnecessary and, that at the present time, the materials require are not available and may not be available for some time. He said that he had talked to Mark Hendrickson, a lobbyist for Florida ALHFA, about the matter and asked for his assistance and possibly Florida ALHFA's assistance in opposing the changes. He said that he is also contacting various people involved to lobby them about the change and its effect on affordable housing. He said that, if the members did not have any objection, he would say that he is also speaking on behalf of the Authority. Mr. Ferguson said that he thought that the Chairman should also speak out on behalf of the Authority on this issue and the other members agreed. The Chairman then recognized Mr. Turner. Mr. Turner said that he thought that W.D. Harris, the Executive Director of the Orange County Housing Finance Authority put it right at the Florida ALHFA Conference when he said everyone dealing with affordable housing needs to reach out and bring all parts of community together to push for affordable housing.

There being no further business to come before the Authority, on motion duly made by Walter Ferguson and seconded by Virginia Yates, the meeting was adjourned at 6:40 p.m.

Respectfully submitted,

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Thomas Birch, Secretary

Approved at the \_\_\_\_\_,  
Meeting of the Housing Finance  
Authority of Lee County, Florida

**RESOLUTION 05-01**

**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 2006, (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 ORIGATION 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 2006 (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.

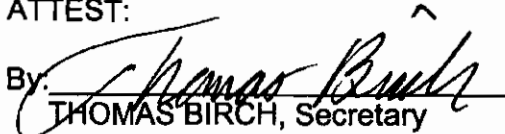
**SECTION 5. EFFECTIVE DATE.** This resolution shall take effect immediately upon its adoption.

DATED this 20th day of July, 2005.

HOUSING FINANCE AUTHORITY  
OF LEE COUNTY, FLORIDA

BY:   
E. WALTER BARLETTA, Chairman

ATTEST:


By:   
THOMAS BIRCH, Secretary

(SEAL)

STATE OF FLORIDA  
COUNTY LEE

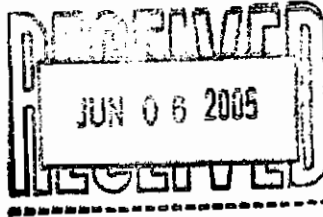
I, THOMAS BIRCH, Secretary of the Housing Finance Authority of Lee County, Florida, do hereby certify that the above and foregoing is a true and correct copy of the Resolution authorizing issuance of not exceeding \$99,000,000.00 Single Family Mortgage Revenue Bonds, Series 2006 (Multi-County Program), as the same was duly adopted at a regular meeting of the Authority on the 20th day of July, 2005, and as the same appears on record in my office.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal this 20<sup>th</sup> day of July, 2005.

BY:   
Secretary

(SEAL)

**NEWS-PRESS**  
 Published every morning - Daily and  
 Sunday  
 Fort Myers, Florida  
**Affidavit of Publication**



**NOTICE OF REGULAR MEETING HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA**  
 PUBLIC NOTICE is hereby given that the Housing Finance Authority of Lee County, Florida (the "Authority") will conduct a regular meeting on Wednesday, June 15, 2005, at 5:30 p.m. at Raymond James & Associates, 7920 Summerlin Lakes Drive, Fort Myers, Florida, 33907, at which time and place the following matters will be

STATE OF FLORIDA  
 COUNTY OF LEE

Before the undersigned authority, personally appeared **Kathy Allebach** who on oath says that he/she is the **Legal Assistant** 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 Meeting**

In the matter of **Meeting on June 15, 2005** In the court was published in said newspaper in the issues of **June 3, 2005**

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.

*Kathy Allebach*

Sworn to and subscribed before me this

3rd day of June 2005 by

**Kathy Allebach**  
 personally known to me or who has produced

as identification, and who did or did not take an oath.

Notary Public

*Janet E. Cobb*

Print Name

My commission Expires:



considered:  
 1. Consider, discuss 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 2006, in the aggregate principal amount of not to exceed \$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.  
 2. Consider, discuss and vote on the selection of the following entities to assist in the Authority's 2006 Multi-County Single Family Bond Offering: Raymond James & Associates, Inc., as Senior Managing Underwriter and RBC DAIN RAUSCHER INC. ("RBC"), as co-managing underwriter; Nabors, Giblin & Nickerson, P.A., as the Authority's Bond Counsel; William R. Hough & Co. as Underwriting Co-Manager; First Southwest Company, as Financial Advisor; U.S. BANK, as Trustee; Countrywide Home Loans, as Master Servicer/Program Administrator and Philip L. Burnett, P.A., as Issuer's Counsel.  
 3. Consider, discuss and vote on the Authority's participation as a Co-issuer of a proposed taxable bond program with the Manatee County Housing Finance Authority for borrowers not eligible for the Authority's Tax-Exempt Single Family Bond Program.  
 4. Consider and discuss the Authority's account with the Federal Home Loan Bank Board (the "FHLBB") and the Authority's investment with the Florida Municipal Investment Trust.  
 5. Consider, discuss and vote on the request of Countrywide for the Trustee to release to Countrywide any excess funds being held by the Trustee in any

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.

*Kathy Allebach*

Sworn to and subscribed before me this

3rd day of June 2005 by

**Kathy Allebach**  
personally known to me or who has produced

as identification, and who did or did not take an oath.

Notary Public

*Janet E. Cobb*

Print Name

My commission Expires:



pled 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, of the Authority, or of any other participating Housing Finance Authority or Counties, but will be payable solely from payments made from the revenues generated from the housing program.

2. Consider, discuss and vote on the selection of the following entities to assist in the Authority's 2006 Multi-County Single Family Bond Offering: Raymond James & Associates, Inc., as Senior Managing Underwriter, and RBC DAIN RAUSCHER INC. ("RBC"), a co-managing underwriter, Nabor, Giblin & Nickerson, P.A., as the Authority's Bond Counsel, William R. Hough & Co. as Underwriting Co-Manager, First Southwest Company, as Financial Advisor, U.S. BANK, as Trustee, Countrywide Home Loans as Master Servicer/Program Administrator and Phillip L. Burnett, P.A., as Issuer's Counsel.

3. Consider, discuss and vote on the Authority's participation as a Co-Issuer of a proposed taxable bond program with the Manatee County Housing Finance Authority for borrowers not eligible for the Authority's Tax-Exempt Single Family Bond Program.

4. Consider and discuss the Authority's account with the Federal Home Loan Bank Board (the "FHLBB") and the Authority's investment with the Florida Municipal Investment Trust.

5. Consider, discuss and vote on the request of Countrywide for the Trustee to release to Countrywide any excess funds being held by the Trustee in any of the Authority's Single Family Programs that the Master Servicer is entitled to receive.

6. Such other matters as may come before the meeting.

All interested parties are invited to attend and present their comments at the time and place set forth above.

IF ANY PERSON WISHES TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO ANY MATTER CONSIDERED AT THIS HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS MADE.

E. WALTER BARLETTA, Chairman HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA  
June 3 No. 883040



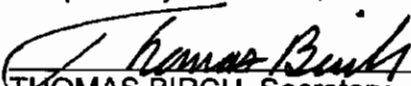
**HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA  
MINUTES OF PUBLIC HEARING**

On Wednesday, June 15, 2005, at 5:35 p.m., at Raymond James & Associates, 7920 Summerlin Lakes Drive, Fort Myers, Florida, 33907, Philip L. Burnett, counsel for the Authority conducted a Public Hearing in accordance with the Tax Equity Fiscal Responsibility Act ("TEFRA"). 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 2006, 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 5:40 p.m.

Respectfully submitted,

  
THOMAS BIRCH, Secretary

Approved at the June 29, 2005  
meeting of the Housing Finance  
Authority of Lee County, Florida