

RESOLUTION NO. 2001- 31

A RESOLUTION APPROVING THE ISSUANCE BY THE HOUSING FINANCE AUTHORITY OF CLAY COUNTY OF ITS TAX EXEMPT SINGLE FAMILY MORTGAGE REVENUE BONDS IN THE AGGREGATE AMOUNT NOT TO EXCEED \$50,000,000 TO PROVIDE FUNDS TO FINANCE THE PURCHASE OF QUALIFYING SINGLE-FAMILY RESIDENCES IN VARIOUS COUNTIES WITHIN THE STATE OF FLORIDA, INCLUDING ST. JOHNS COUNTY AND THE OPERATION OF THE HOUSING FINANCE AUTHORITY OF CLAY COUNTY WITHIN THE TERRITORIAL BOUNDARIES OF ST. JOHNS COUNTY WITH RESPECT TO SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Finance Authority of Clay County, Florida (the "Clay Authority") has authorized the initiation of official action to issue its tax exempt Single Family Mortgage Revenue Bonds in one or more series, in calendar year 2001 for a total aggregate principal amount of not exceeding \$50,000,000 (collectively the "Clay Bonds") to provide financing of qualified owner-occupied single family residences to alleviate the shortage of housing in various counties within the State of Florida, including St. Johns County (collectively, the "Counties") by acquiring certain mortgage notes secured by mortgages of real property owned by moderate, middle or lesser income persons or families in the Counties.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA :

Section 1. Pursuant to Section 159.603, Florida Statutes, as amended, the operation of the Clay Authority within the territorial boundaries of St. Johns County with respect to the issuance of the Clay Bonds substantially in the manner and to the extent authorized and described in the Interlocal Agreement in the form attached hereto as Exhibit "A" is hereby authorized and approved.

Section 2. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, State of Florida, this 27th day of February, 2001.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: Marc Jacalone
Marc Jacalone, Vice Chair

ATTEST: CHERYL STRICKLAND, CLERK

By: Patricia Alex Grasse
Deputy Clerk

Effective Date: 02-27-01



EXHIBIT "A"

INTERLOCAL AGREEMENT

THIS AGREEMENT made and entered into by and between the HOUSING FINANCE AUTHORITY OF CLAY COUNTY, FLORIDA, a public body corporate and politic organized and existing under the laws of the State of Florida (hereinafter referred to as the "Clay Authority"), and the HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY, FLORIDA, a public body corporate and politic organized and existing under the laws of the State of Florida (hereinafter referred to as the "St. Johns Authority").

WITNESSETH:

WHEREAS, Part IV of Chapter 159 of the Florida Statutes authorizes the creation of Housing Finance Authorities within the State of Florida for the purpose of issuing revenue bonds to assist in relieving the shortage of housing available at prices or rentals which many persons and families can afford; and

WHEREAS, the Clay Authority has authorized the initiation of official action for the issuance in calendar year 2001 of its tax exempt Single Family Mortgage Revenue Bonds (the "Clay Bonds"); and

WHEREAS, pursuant to Section 143 of the Internal Revenue Code of 1986, as amended, the amount of private activity bonds, including qualified mortgage bonds, which may be issued by governmental units in any calendar year is limited, and is available for allocation to issuers within the State in accordance with Chapter 159, Part VI, Florida Statutes; and

WHEREAS, pursuant to individual interlocal agreements to be entered into between the Clay Authority and the Housing Finance Authorities of other counties within the State of Florida, including St. Johns County (collectively, the "Subsidiaries"), each of the Subsidiaries will delegate all or a portion of its remaining authority to purchase mortgage loans originated within the territorial boundaries of its respective county to the Clay Authority (the territorial boundaries of Clay County and the territorial boundaries of the Subsidiaries, collectively, the "Area of Operation"); and

WHEREAS, by combining allocation amounts of the Clay Authority and the Subsidiaries, the Clay Authority will be able to make available mortgage loans at rates below the rates otherwise possible if any of the Subsidiaries undertook a separate issue; and

WHEREAS, the issuance of the Clay Bonds by the Clay Authority for use in the Area of Operation will result in a wider allocation of fixed expenses and achieve certain other economies of scale that will have the effect of reducing the interest on mortgage loans that otherwise would have to be charged; and

WHEREAS, Sections 163.01, 159.608 and 125.01, Florida Statutes, authorize the Clay Authority and the St. Johns Authority to enter into this Interlocal Agreement in order to make the most efficient use of their respective powers, resources and capabilities by authorizing the Clay Authority to exercise certain powers which are common to them for the purpose of issuing one or more series of the Clay Bonds to finance qualifying single family mortgage loan programs for the entire Area of Operation.

NOW, THEREFORE, the parties agree as follows:

Section 1. Substitution of Bonds; Expenses. The St. Johns Authority hereby grants exclusive authority to the Clay Authority to issue its Single Family Mortgage Revenue Bonds in calendar year 2001 for qualified single family housing developments described in the resolutions authorizing the Clay Bonds, and any such Clay Bonds issued for such qualifying housing developments in St. Johns County are hereby deemed to be in full substitution for an equivalent principal amount of the St. Johns Authority's Bonds. All revenues generated by bonds issued pursuant to this Agreement and by the use of the proceeds thereof, will be administered by the Clay Authority or its agents and all payments due from such revenues shall be paid by the Clay Authority or its agents without further action by St. Johns County or the St. Johns Authority.

The fees and expenses incurred by the St. Johns Authority with respect to the single family mortgage revenue bond program specified in this Agreement, shall be paid from the proceeds of any bonds allocable for use in St. Johns County and issued pursuant to this Agreement or from program fees contributed by participating lenders. Such fees and expenses payable from proceeds of the Clay Bonds shall not exceed \$1.00 per \$1,000 principal amount of Clay Bonds allocated for use in St. Johns County.

Notwithstanding the foregoing, the St. Johns Authority hereby retains the right to issue not to exceed \$6,000,000 tax exempt multifamily housing revenue bonds in calendar year 2001 and to use in connection with such bonds a corresponding portion of the allocation available to it under Chapter 159, Part VI, Florida Statutes.

Section 2. Administration. The Clay Authority hereby assumes responsibility for administering this Agreement by and through its employees, agents and officers; provided, however, that the St. Johns Authority retains and reserves its right to require reasonable reporting on programs designed for and operated within St. Johns County. The Clay Authority and its agents shall provide the St. Johns Authority with such reports as may be necessary to account for funds generated by this Agreement.

Subject to the last paragraph in section 1 above, the Clay Authority shall have full authority and responsibility to negotiate, validate, market, sell, issue and deliver its Clay Bonds in such amount as the Clay Authority shall in its sole judgment determine to finance qualifying single family housing developments in St. Johns County and to take such other action as may be necessary or convenient to accomplish such purpose, such bonds to be issued in one or more series as determined by the Clay Authority. All lendable proceeds of Bonds attributable to the mortgage loan demand in

St. Johns County shall be reserved for use in originating mortgage loans in St. Johns County for an initial period of 120 days. Thereafter, lendable proceeds of all Clay Bonds may be used within the area of operation of the program of the Clay Authority, composed of Clay, Bradford, Nassau, Putnam and St. Johns Counties.

The Clay Authority hereby agrees to use its best efforts to promote the origination of Mortgage Loans for housing within St. Johns County.

Section 3. Program Parameters. The St. Johns authority hereby reserves the power to establish the maximum housing prices and maximum adjusted family income for eligible borrowers in St. Johns County and may exercise such at any time and from time to time. In the absence of a specific determination to the contrary, which shall be controlling and shall be evidenced by passage of a resolution of the St. Johns Authority or the Board of County Commissioners of St. Johns County, the St. Johns Authority hereby determines and agrees to the use of up to the maximum housing price limits and adjusted family income amounts permitted under applicable Florida law in effect from time to time for use with the Clay Taxable Bonds. The St. Johns Authority hereby consents and agrees to the establishment by the Clay Authority of all other program parameters including, but not limited to, selection of allocations among participating lenders as may be required for any bonds issued by the Clay Authority pursuant to this Agreement.

Section 4. Term. This Agreement will remain in full force and effect from the date of its execution until the first to occur of December 31, 2001, or the date which no Clay Bonds remain outstanding; provided that any party hereto shall have the right to terminate this Agreement upon 30 days written notice to the other party hereto. Notwithstanding the foregoing, it is agreed that this Agreement may not be terminated by any party during any period that any series of Clay Bonds issued pursuant to the terms hereof remain outstanding, or during any period in which the proceeds of such Clay Bonds are still in the possession of the Clay Authority or its agents pending distribution, unless the parties to this Agreement mutually agree in writing to the terms of such termination. It is further agreed that in the event of termination the parties to this Agreement will provide continuing cooperation to each other in fulfilling the obligations associated with the issuance of Clay Bonds pursuant to this Agreement.

Section 5. Indemnity. The Clay Authority agrees to hold the St. Johns Authority and St. Johns County harmless, to the extent permitted by law, from any and all liability for repayment of principal of and interest or penalty on the Clay Bonds or in connection with the approval by the St. Johns Authority of the program parameters as required by Section 3 of this Agreement, or in connection with the approval rendered by St. Johns County pursuant to Sections 159.603 and 159.604, Florida Statutes. The Clay Authority agrees that the Clay Bonds and any offering circular or official statement approved by and used in marketing the Clay Bonds will include a statement that Bondholders may not look to the St. Johns Authority or to St. Johns County for payment of the Clay Bonds and interest or premium thereon.

Section 6. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties to this Agreement have caused their names to be affixed hereto by the proper officers thereof as of the _____ day of _____, 2001.

HOUSING FINANCE AUTHORITY OF CLAY
COUNTY, FLORIDA

(SEAL)

By _____
Chairman

ATTEST:

By _____
Secretary-Treasurer

HOUSING FINANCE AUTHORITY OF
ST. JOHNS COUNTY, FLORIDA

(SEAL)

By _____
Chairman

ATTEST:

By _____
Secretary

STATE OF FLORIDA]
] SS.
COUNTY OF _____]

The foregoing instrument was acknowledged before me this _____ day of _____, 2001, by _____ and _____ the _____ and _____ of the Housing Finance Authority of _____ County, Florida, on behalf of the Authority. They are personally known to me or who have produced _____ as identification and who did/did not take an oath.

(print name)
Notary Public
My Commission expires:

STATE OF FLORIDA]
] SS.
COUNTY OF ST. JOHNS]

The foregoing instrument was acknowledged before me this _____ day of _____, 2001, by _____ and _____ the Chairman and Secretary of the Housing Finance Authority of St. Johns County, Florida, on behalf of the Authority. They are personally known to me or who have produced _____ as identification and who did/did not take an oath.

(print name)
Notary Public
My Commission expires: