

RESOLUTION NO. 2010-284

RESOLUTION AUTHORIZING THE MAKING OF LOANS TO THE HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY FOR AFFORDABLE SINGLE-FAMILY WORKFORCE HOUSING WITHIN THE COUNTY IN CONNECTION WITH THE COUNTY COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM; APPROVING THE PROGRAM CRITERIA AND LOAN DOCUMENTS FOR SAID COUNTY HOUSING LOAN PROGRAM; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 2007-34 enacted on May 17, 2007 (the "Ordinance"), and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

A. Within St. Johns County, Florida (the "County"), there is a shortage of housing available at prices or rentals which many persons and families can afford, and a shortage of capital for investment in such housing. This shortage constitutes a threat to the health, safety, morals and welfare of the residents of the County, deprives the County of an adequate tax base, and causes the County to make excessive expenditures for crime prevention and control, public health, welfare, and safety, fire and accident protection, and other public services and facilities. Such shortage cannot be relieved except through the encouragement of investment by private enterprise and the stimulation of construction and rehabilitation of housing through the use of public financing and the provisions of low-cost loans to develop affordable housing. The financing, acquisition, construction, reconstruction, and rehabilitation of affordable housing and of the real and personal property and other facilities necessary, incidental and appurtenant thereof are essential and serve paramount County public purposes for which public money may be spent, advanced, loaned or granted and are governmental functions of public concern.

B. On October 31, 2006, and January 9, 2007, the County and the St. Johns County Community Redevelopment Agency, respectively, authorized the Housing Finance Authority of St. Johns County (the "HFA") to submit a Community Workforce Housing Innovation Pilot Program application to the Florida Housing Finance Corporation (the "FHFC") for \$5,000,000 in funding for affordable and workforce housing in the West Augustine Community Redevelopment Area (the "CWHIP Program"); in May 2007, FHFC selected the HFA's application for funding; in November 2009, the FHFC issued a firm commitment for such funding; and in March 2010, the HFA and FHFC executed the related documents and commenced the CWHIP Program in the County.

C. Pursuant to Resolution No. 2007-38 and Resolution No. 2009-8 adopted by the County on May 15, 2007, and January 6, 2009, respectively, the County and Fannie Mae, a corporation organized and existing under the laws of the United States of America ("Fannie Mae"), entered into a \$2,000,000 revolving line of credit housing loan program to assist in the development of affordable housing, which provided the County construction funds to lend to approved developers, including the HFA, to build affordable single-family workforce housing for qualified homebuyers (the "Fannie Mae Program"), and the County approved the related Loan Program Criteria (the "Loan Program Criteria").

D. The HFA has heretofore borrowed from the County under the Fannie Mae Program for construction of CWHIP Program homes utilizing the Fannie Mae Program loan documents, including a Construction Loan Agreement between the County and the HFA, and a Promissory Note and a Mortgage and Security Agreement, each from the HFA in favor of the County (the "HFA Loan Documents").

E. The Fannie Mae Program by its terms is expiring and no longer allows the County to borrow funds from Fannie Mae, and all outstanding related loans are to be repaid by June 2011.

F. The County's current Housing and Community Services budget provides for approximately \$900,000 as part of the Fannie Mae construction loan program, and there is also \$200,000 in restricted County reserves that are tied to the 10% letter of credit that the County committed for the \$2,000,000 line of credit from Fannie Mae; and these funds will be available when the Fannie Mae Program closes out in June 2011 or earlier if all outstanding loans are repaid prior to that date.

G. The County staff and the HFA have requested that the County establish a County CWHIP loan program for the HFA (the "CWHIP Loan Program") that is essentially the same as the Fannie Mae Program and authorize the use of such currently budgeted \$900,000, and any future amounts that may be budgeted, for the CWHIP Loan Program to provide funds to loan to the HFA for construction financing to continue the CWHIP Program.

H. Under the CWHIP Loan Program, the Loan Program Criteria will remain in effect, modified as provided herein to delete references to the Fannie Mae Program and to provide for direct County funding in lieu of Fannie Mae funding, and the HFA Loan Documents will continue to be used, modified as provided herein to delete any references to the Fannie Mae Program.

I. It is necessary and desirable to authorize the CWHIP Loan Program and direct and authorize the Director of the County Housing and Community Services Division (the "Housing Director") and other County staff, officers and attorneys to further develop and implement the CWHIP Loan Program, all in the manner hereinafter provided.

SECTION 3. APPROVAL OF CWHIP LOAN PROGRAM. The County hereby approves and establishes the CWHIP Loan Program as a County housing program.

SECTION 4. APPROVAL OF MODIFICATION OF LOAN PROGRAM CRITERIA AND HFA LOAN DOCUMENTS. The Loan Program Criteria on file with the Clerk of the Board of County Commissioners of the County (the "Board") shall be applicable to the CWHIP Loan Program, provided however that the Loan Program Criteria is hereby modified accordingly to delete the references to the Fannie Mae Program and to provide for direct County funding in lieu of Fannie Mae funding; and the HFA Loan Documents on file with the Clerk of the Board shall continue to be used in connection with the CWHIP Loan Program, provided however that the HFA Loan Documents shall be modified accordingly to delete any references to the Fannie Mae Program, and the Chair or Vice Chair of the Board (the "Chair"), the County Administrator and the Clerk of the Board or any deputy clerk (the "Clerk") are each hereby authorized to execute and deliver HFA Loan Documents, with such modifications as may be approved by the Chair, the County Administrator or the Clerk, such approval to be conclusively evidenced by such officer's execution thereof, and to take such other actions as shall be necessary to implement and administer the CWHIP Loan Program in the manner provided herein, with no further Board action required.

SECTION 5. AUTHORIZATION OF EXECUTION OF CERTIFICATES AND OTHER INSTRUMENTS. The Chair, the Clerk and the County Administrator are hereby authorized and directed, either alone or jointly, under the official seal of the County, to execute and deliver certificates and such other instruments as shall be necessary or desirable to perform the County's obligations under this Resolution, the Ordinance, the HFA Loan Documents and to consummate the transactions contemplated hereby and thereby.

SECTION 6. DEVELOPMENT AND IMPLEMENTATION OF CWHIP LOAN PROGRAM. The Housing Director and other County officers, employees and attorneys are hereby directed and authorized to further develop and implement the CWHIP Loan Program, with no further Board action required, all in accordance with and as contemplated by this Resolution, the Ordinance, the Loan Program Criteria and the HFA Loan Documents.

SECTION 7. GENERAL AUTHORITY. The members of the Board and the County's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the HFA Loan Documents and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be reasonably required by the County's attorneys to effectuate, implement and administer the CWHIP Loan Program.

SECTION 8. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in any HFA Loan Document, or in any certificate or other instrument to be executed on behalf of the County in connection with the CWHIP Loan Program, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Board, officer, employee or agent of the County in his or her individual capacity, and none of the foregoing persons nor any officer of the County executing any certificate or other instrument to be executed in connection with the CWHIP Loan Program shall be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 9. REPEAL OF INCONSISTENT PROVISIONS. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

SECTION 10. SEVERABILITY. In the event that any portion or section of this Resolution is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Resolution which shall remain in full force and effect.

SECTION 11 ADMINISTRATIVE MATTERS. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board.

SECTION 12. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 7th day of December, 2010.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

Its Chair

(OFFICIAL SEAL)

ATTEST:

By: Pam Halterman, Deputy Clerk
Its Clerk: Cheryl Strickland, Clerk

RENDITION DATE 12/15/10





3900 Wisconsin Avenue, NW
Washington, DC 20016-2892

July 1, 2010

Housing Authority of St. Johns County, FL
Attn: Tom Crawford, Director of Housing and Community Services
4010 Lewis Speedway
St. Augustine, FL 32084

Re: Suspension of New Community Express Transactions

In order to comply with a directive from our regulator, the Federal Housing Finance Agency (FHFA), Fannie Mae is suspending its Community Express product line. The suspension is effective immediately and will remain in effect until we receive further guidance from FHFA.

As a result of this suspension, we will not grant modifications or extensions on any outstanding Community Express loans. We will continue to service our current portfolio of Community Express loans. Accordingly, we do not anticipate any disruption in our servicing your loan.

We regret the suspension of the Community Express loan program and any inconvenience this may cause. Please know that we appreciate your business.

We will, of course, advise you should this situation change at some future date.

Should you have any questions regarding this notice, please contact Lisa Tarter at 513-793-6069 or me, Lisa Zukoff, at 304-845-8089.

Sincerely,

Lisa Zukoff

Lisa Zukoff
Director, Public Finance Lending
Community Lending Group

cc: Lisa Tarter

November 17, 2010

[VIA EMAIL]

Mr. Thomas M. Crawford
St. Johns County Director of
Housing and Community Services
102 M. L. King Ave., Suite B
St. Augustine, FL 32084

Re: Proposed St. Johns County Construction Financing for CWHIP
Affordable Housing Program

Dear Tom:

Pursuant to your request, I have reviewed St. Johns County's Affordable Housing Ordinance No. 2007-34 and the documents related to the County's current Fannie Mae Affordable Housing Loan Program and the related loans to the Housing Finance Authority of St. Johns County (the "HFA") for CWHIP homes to determine what actions are needed for the County to continue the loan program for CWHIP homes using available County funds rather than funds borrowed from Fannie Mae. I have also discussed this matter with you, Allen MacDonald and Doug Timms.

As we discussed, the Ordinance currently provides authority for the County to make loans directly to the HFA related to the CWHIP program from County funds and no amendments to the Ordinance are required. The County, however, should adopt a resolution (a) authorizing such loans to the HFA, (b) confirming that the County's current affordable housing program criteria for HFA loans will remain in effect, modified accordingly to delete references to the Fannie Mae program and funding and provide for direct County funding in lieu thereof, and (c) approving the continued use of the current HFA loan documents modified accordingly to delete any references to the Fannie Mae program (the required modifications for the loan documents will be minimal).

If you have any questions or need anything further, please do not hesitate to call.

Sincerely,



Jean M. Mangu

cc: Mr. Patrick McCormack, County Attorney