The Galt Mile News

"An Official Publication of the Galt Mile Community Association"

March 2009

SERVING THE 14,000 RESIDENTS OF THE GALT OCEAN MILE INCLUDING:

Caribe
Commodore
Coral Ridge Towers
Coral Ridge Towers East
Coral Ridge Towers North
Coral Ridge Towers South
Edgewater Arms
Fountainhead
Galleon
Galt Merchants Assoc.
Galt Ocean Club
Galt Towers
L'Ambiance
L'Hermitage I
L'Hermitage II
Ocean Club
Ocean Manor
Ocean Summit
Playa del Mar
Playa del Sol
Plaza East
Plaza South
Regency South
Regency Tower
Riviera
Royal Ambassador
Southpoint

MORTGAGE MADNESS GRIPS FL CONDOS

By Eric Berkowitz

On January 2, 2009, President Charles McMillan of the National Realtors Association (NAR) wrote a letter to James B. Lockhart III, the Director of the Federal Housing Finance Agency (FHFA). The correspondence expressed NAR concerns about why Lockhart had seemingly abandoned his obligation to promote affordable homeownership. McMillan was referring to Fannie Mae Announcement 08-38 "Updated Flow Business Pricing Requirements", released on December 29, 2008, increasing fees for mortgages purchased or securitized on or after April 1, 2009. Director Lockhart is the federal conservator and regulator of Fannie Mae and Freddie Mac, two government sponsored enterprises (GSEs).

Rather than accusing the federal bureaucrat of abdicating his responsibility or undermining the Florida real estate market's recently optimistic recovery indicators, he questioned the Agency's inexplicable policy contradictions. He first reminded Lockhart about his stated policy, explaining "In your prepared statement on September 7, 2008, in connection with announcing the conservatorship, you expressed concern about the negative impact of higher fees being imposed by the government sponsored enterprises, Fannie Mae and Freddie Mac (the GSEs) to raise capital. At the same time, Secretary Paulson stated that the primary mission of the GSEs under the conservatorship would be to increase mortgage affordability."

McMillan then contrasted Lockhart's statements with his actions, saying, "With that as background, we were completely surprised that Fannie Mae has decided to raise fees, especially so significantly. If we are interpreting the announcement correctly, a borrower with a credit score of 670 making a 20% down payment for a condominium would have the fee increased from 150 basis points to 350 basis points—more than double."

Packing his objection into a query, McMillan asked, "What is the need for these fee increases? What alternatives were considered? Is the purpose of increasing fees to shift higher risk borrowers to the FHA mortgage insurance program? What will the impact of such a move be in terms of risk and cost to the government and the taxpayer? Why did Fannie Mae decide to raise fees on borrowers, reducing affordability and counter-acting the positive impact of recent reductions in mortgage interest rates, instead of relying on other sources of liquidity announced by the Treasury Department on September 7 and the Federal Reserve Board on November 25?" After framing his complaint as a plea for clarity, the NAR President requested justification for the Agency's enigmatic decision, intimating a suspicious lack of transparency.

Fannie Mae is the 600 pound gorilla of the mortgage business. Established by President Franklin Delano Roosevelt's New Deal in 1938 to provide a secondary market for post-Depression Federal Housing Administration (FHA)-insured mortgages, the Federal National Mortgage Association (Fannie Mae) replenished the supply of lendable money. In 1968, Congress amended its Charter, recreating Fannie Mae as a stockholder-owned, privately managed corporation. To rectify its questionably legal status as a shareholder-owned monopoly, in 1970, Congress chartered another government sponsored enterprise (GSE), the Federal Home Loan Mortgage Corporation (Freddie Mac). Although they don't directly loan money to homeowners, they ensure that mortgage lenders and brokers are adequately flush with cash to service the home buying public.

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As GSEs, Fannie and Freddie received substantial benefits. They were endowed with access to an astronomical line of credit from the U.S. Treasury (currently $200 billion); exemption from state and Securities and Exchange Commission (SEC) registration requirements; exemption from all state and local taxes (except property taxes); and a "gold star" demand for their securities, since the Government gives those securities the same preferred investment status as Treasury debt.

More importantly, the GSEs benefitted from an illusion. Being perceived as having federal backing for their debt – although they do not – has allowed Fannie and Freddie to borrow at near-Treasury rates and sell their securities at better rates than those of purely commercial firms.

In return for the GSEs' competitive advantages, Congress demanded that they undertake certain public purpose activities, notably promoting access to mortgages via HUD (Department of Housing and Urban Development) in underserved urban and rural communities, in minority communities, and to low- and moderate-income families. The GSEs were also expected to help end discrimination in the lending industry.

In 1992, Congress enacted the Federal Housing Enterprises Financial Safety and Soundness Act (FHEFSSA). This Act further separated HUD's regulation of the GSEs' public purposes activities from their safety and soundness components by revising the role of the Office of Federal Housing Enterprise Oversight, an independent financial regulator within HUD. It also established a set of interim regulations for the GSEs.

FHEFSSA, often referred to as the GSE Act, was motivated by concerns over safety and soundness of the GSEs' financial underpinnings, rather than affordable housing. Nevertheless, due to pressure from housing advocates, the interim regulations did prescribe certain affordable housing standards for the GSEs. The Act requires the Secretary of HUD to assure that the GSEs meet their housing goals and fair lending obligations. It also expanded HUD's authority to do so. The Secretary was directed to evaluate the interim regulations Congress had crafted and develop new regulations governing the GSEs.

On February 16, 1995, HUD released its proposed regulations for Fannie Mae and Freddie Mac. The regulations identified regulatory goals for low-and moderate income home purchases; altered the definition of underserved areas, focusing more on neighborhoods in need; and redefined special affordable housing goals. The Act directed HUD to annually examine these goals and the assumptions upon which they are based and thereafter develop new goals consonant with the current economic environment.

Saddled with two mandates that were empirically incompatible – practicing fiscal responsibility while underwriting high risk loans – the stage was now set for a decade of seemingly schizophrenic lending policies. Further inflamed by unrelenting pressure to generate shareholder profits, the GSEs' loan portfolios became top-heavy with lucrative subprime or "toxic" loans. Free from SEC reporting requirements, Fannie and Freddie purchased ordinarily ineligible "nonconforming" high risk instruments bundled with traditional debt; thereby disguising the degree that toxicity burdened their portfolios. Since Fannie Mae-backed loans typically have the best rates and lowest down payments for borrowers, their policies exert a tremendous impact on the lending industry. Perceiving the GSEs' liberalized portfolio complexion as an unofficial license to print money, commercial lenders further loosened lending requirements, dispensing with traditional and time-tested risk management formulas.

When the current real estate recession spread across the country, Federal banking authorities timidly admitted that negligible federal oversight was not the panacea they marketed to the borrowing public. Tripping over themselves to finance properties, mortgage bankers emulsified eligibility standards, requiring only that borrowers demonstrate proficiency in finding their advertised telephone number. Entrenched in a euphoric trance-like state, the industry felt justified in ignoring decades-old lessons learned when hedge funds like Long Term Capital Management decomposed – what goes up, must come down.
When tens of thousands of "no money down", "deferred interest", and "negative amortization" mortgages simultaneously imploded, Fannie Mae and Freddie Mac were diagnosed as terminal. Just as the government sponsored entities were going down for the third time, Congress threw them a life preserver, exclaiming the importance of reestablishing real estate stability. Proposed by Treasury Secretary Henry Paulson, The Emergency Economic Stabilization Act of 2008 targeted lenders and investors at the top of the credit crunch meltdown, declaring that "the nation's economic turnaround hinges on a healthy housing market and affordable home ownership." $700 billion was pumped into the Troubled Assets Relief Program (TARP) to purchase distressed assets, especially mortgage-backed securities, and make capital injections into banks.

Despite September endorsements by Paulson, Fed Chairman Ben Bernanke, S.E.C. Chairman Christopher Cox, both presidential candidates and the lame duck Administration, Republicans called the Paulson Plan "Financial Socialism" and Democrats likened it to "buying smog on credit." When asked how Paulson decided that the Treasury should buy $700 billion of bad debt, a treasury spokeswoman told Forbes.com "It's not based on any particular data point. We just wanted to choose a really large number."

Paulson's impending return to the private sector spurred suspicions that he was fatally conflicted. While acknowledging that the crisis was ultimately driven by the falling housing market, instead of trying to modify mortgage debt and stabilize the housing market with loans to homeowners facing foreclosure, the former Goldman Sachs CEO provided bailouts for Goldman Sachs and Morgan Stanley, institutions that borrowed huge amounts to invest recklessly in the securities and derivatives based on those mortgages. By ignoring the cause (the failing housing market) in favor of the symptom (the crisis among investment banks), Paulson also insured the health of his blind trust – predominantly comprised of Goldman holdings (including his last $38 million compensation package). In addition to having hired Goldman executives as plan advisors, Paulson charged treasury staffer Neel Kashkari, a former vice-president at Goldman Sachs, with administering the bailout funds. By the time that Obama's Treasury Secretary, Timothy F. Geithner, grabbed the reins, Paulson had already spent half the money.

Instead of using the funds to facilitate lending as mandated, TARP recipients have treated the program as a no-strings-attached windfall that could be used to pay down debt, acquire other businesses or invest for the future. The Congressional Review Panel created to oversee the TARP concluded on January 9, 2009: "In particular, the Panel sees no evidence that the U.S. Treasury has used TARP funds to support the housing market by avoiding preventable foreclosures." The panel also concluded that "Although half the money has not yet been received by the banks, hundreds of billions of dollars have been injected into the marketplace with no demonstrable effects on lending." Not surprisingly, banks that received $295 billion in bailout money spent $114 million on lobbying and campaign contributions during 2008.

On July 30, 2008 – in preparation for the financial bailout – the Housing and Economic Recovery Act of 2008 created the Federal Housing Finance Agency (FHFA) by morphing the Office of Federal Housing Enterprise Oversight (OFHEO), the Federal Housing Finance Board (FHFB), and the GSE mission office at the Department of Housing and Urban Development (HUD). In addition to Fannie Mae and Freddie Mac, the 12 Federal Home Loan Banks fell under the regulatory and supervisory oversight of the new agency. As of June 2008, the combined debt and obligations of these GSEs totaled $6.6 trillion, exceeding the total publicly held debt of the USA by $1.3 trillion.

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After seizing control of Fannie and Freddie last September, the Federal Housing Finance Agency enacted regulations enabling troubled homeowners to renegotiate hundreds of thousands of delinquent loans held by the two GSEs. In November, they offered a plan that emulated measures already instituted by commercial lending giants plagued with self-inflicted loan portfolio losses. Citigroup had already halted foreclosures for borrowers who live in their own homes, have decent incomes and stand a good chance of making lowered mortgage payments. JP Morgan Chase & Co. expanded its mortgage modification program to an estimated $70 billion in loans and Bank of America later loosened repayment terms for the 400,000 loans held by newly acquired Countrywide Financial Corporation.

Since Fannie Mae and Freddie Mac own or guarantee nearly 31 million U.S. mortgages, or nearly six of 10 loans, the scale of their relief program dwarfed those of their commercial counterparts. It was accessible to borrowers who were at least three months in arrears, owed 90% or more of their home's current value, lived in the home and hadn't filed for bankruptcy protection. Several options were made available for payment relief. For example, interest rates could be adjusted to insure that no more than 38 percent of a borrower's income addressed mortgage expense. Another option extended loans from 30 years to 40 years with interest-free principal deferments.

Since more than 4 million American homeowners, or 9 percent of mortgage borrowers, were either behind on their payments or in foreclosure, Agency Director Lockhart justified the program's intent, exclaiming in November "Foreclosures hurt families, their neighbors, whole communities and the overall housing market. We need to stop this downward spiral." Critics included Federal Deposit Insurance Corporation (FDIC) Chair Sheila Bair, who characterized the plan as "a step in the right direction but falls short of what is needed." Financial analysts asserted that it could unintentionally aggravate the problem, postulating that mortgage owners may deliberately withhold payments for three months in order to qualify for relief.

Three weeks after Lockhart's Federal Housing Finance Agency sent fees skyward, the other shoe dropped. In announcing an unprecedented set of tough new mortgage requirements, Fannie Mae stunned local Associations by limiting the stringent measures to condominium buyers in one state - Florida. South Florida real estate pundits characterized the policy as a highly prejudicial overreaction to decades of capricious mortgage bank practices across the country. Despite nationwide abuses spanning the full spectrum of property ownership, Fannie's targeting of Florida condos spurred accusations that Lockhart was creating a sacrificial straw dog. The new requirements intentionally intensify sales pressure on Condo Associations already starved for residents and struggling financially.

These new rules fly in the face of the recently reconstituted Congressional mandate, despite a cursory statement by Fannie Mae officials rationalizing why they singled out Florida and, more specifically, condo borrowers. An Agency spokesperson declared that after reviewing their mortgage loans, they discovered record-high default and foreclosure rates among condo owners. They also cited the excessive number of condos listed for sale, which has driven down prices. Since this is also true for almost every other class of homeownership in dozens of areas around the country (especially in certain West Coast regional jurisdictions verging on bankruptcy), their explanation for exclusively targeting Florida condos strains credibility. The new conditions include:

1) No more than 15 percent of an association's unit owners can be 30 days or more past due on association fees.
2) For new condo buildings and condo conversions, at least 70 percent of units must have been sold or put under contract. That's up from 49 percent previously.
3) Fannie Mae will now have in-house underwriting teams extensively review a condominium's building, its finances and local market conditions. This review will be at the lender's expense which will make such loans less attractive. (Previously, Fannie relied on lenders to perform these reviews and the lenders controlled the costs); and
4) Higher equity will be required up front from non-occupant investor owners (15% down) and those purchasing a Florida condominium unit as a second home (10% down).

These requirements are arguably oblivious to the difficulties already facing Florida condo mortgage applicants. Over the past two years, many banks have dramatically raised the bar for condo loans, requiring down payments of up to 40 percent in new buildings. Citing a high risk of price declines and defaults, some lenders have blacklisted certain condo buildings while others declared blanket moratoria on condo loans.

Much of the property glut left by overextended speculators was absorbed during the past year. Applying these heavily restrictive standards just as real estate is again showing signs of recovery is strategically counterproductive to the Agency's proclaimed objective of "rescuing the housing market." Fannie Mae's timing "couldn't be worse," said Jack McCabe, a Deerfield Beach real estate analyst who believes the region is mired in a housing recession. "This is effectively going to make it much more difficult to qualify." McCabe estimates as much as 25 percent of the market in the tri-county area will be shut out of Fannie-funded financing. A litany of industry officials agree, predicting that this policy will worsen the condition it portends to ameliorate. While Fannie Mae is not the only funding source for lenders who want to make condo loans, No. 2 mortgage guarantor Freddie Mac typically follows Fannie Mae's lead. On January 30th, Freddie Mac issued a "Sellers Guide Bulletin" increasing fees for cash-out refinancings, interest-only adjustable rate mortgages, and condominium unit mortgages (75 basis points for condominium unit mortgages with loan to value ratios greater than 75%).

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Certain others claim that this is just what the doctor ordered - a cold turkey fiscal High Colonic of sorts. Vice chairman of debt and equity finance Charles Foschini of CB Richard Ellis, a Miami Real Estate firm, said "In a climate of increased risk, Fannie Mae's primary responsibility is to protect investors, borrowers and taxpayers." Foschini's contention is that borrowers benefit from knowing they are moving into a well-funded condo association awash in reserves, implying assessment stability. He is unconcerned, however, that his client's peace-of-mind comes at the risk of bankrupting thousands of existing associations struggling to survive.

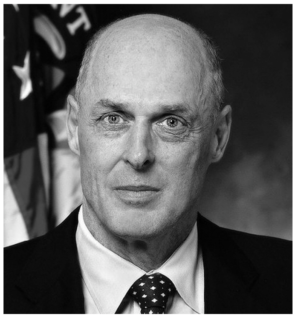
His perceived protection for taxpayers took the form of a sound bite, "The quicker we can instill sounder underwriting practices for mortgages for Fannie or anyone else the more confidence we'll have in the market." While true, it fails to clarify how this action shelters taxpayers. Adequately collateralizing loans is widely considered central to effective risk management and the Congressional Fannie Mae bailout stipulated the revival of sound underwriting practices for mortgages. However, more than doubling the fees and setting significantly tougher credit requirements for only one class of homeowner in only one state is hardly a credible confidence builder.

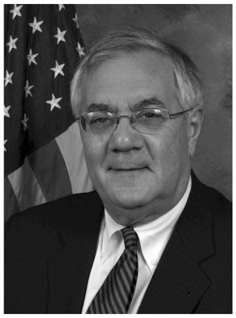
Spinning the new rules as a boon to investors borders on Burlesque. The action will admittedly precipitate further price declines and more foreclosures. This translates into additional losses for the GSE - and its investors. Perhaps Foschini conjures a secret Fannie Mae shareholder cult based in an abandoned Northwest Pacific logging camp that aspires to personal growth via diminishing equity.

Industry experts agree on who will ultimately benefit from this policy direction. The "Fannie-less" finance vacuum will create a garage sale for cash-rich buyers. Well funded investment predators will be able to command unprecedented discounts. Grant Stern, principal broker of Miami-based Morningside Mortgage, explained, "Fannie Mae declared Christmas for hedge funds who want to buy bulk in these buildings, but it's leaving everyday investors and people who want to buy for their own personal use in the dust." Asserting that the restrictions exemplified the self-fulfilling, cyclical nature of the credit crisis, Stern hypothesized "Fear provokes a knee-jerk reaction that inflames the problem, causing more fear."

Since the Country is currently navigating uncharted economic waters, Agency officials are understandably having difficulty distinguishing between productive actions and regressive fear-based reactions. Palm Beach housing investment consultant Shirley Evans waxed metaphorically, "When they realize that they shot themselves in the foot, they will either take aim at their other foot or lower the gun. The GSEs are experimenting and the Florida condo market is the Guinea Pig!"

On the bright side, the Federal Housing Finance Agency has been in a state of perpetual flux since the Congressional GSE rescue. Congress is currently crunching legislation to provide executive agencies with clearer policy objectives. Housing guidance is anticipated from broad recovery bills such as the American Recovery Act of 2009 and dozens of targeted vehicles dedicated to averting imminent foreclosures through debt restructuring, promoting bank liquidity and strengthening regulatory and supervisory oversight of the housing finance system.
For example, Chairman Barney Frank's House Financial Services Committee just introduced H.R. 703 and H.R. 787, legislation designed to ease loan modifications and improve refinancing options for troubled homeowners by revamping the HOPE for Homeowners program. While HOPE for Homeowners (H4H) was enacted to help families refinance into safer, more affordable mortgages and avoid foreclosure, program constraints deterred lender participation. Frank's "adjustment" bills are expected to make the program more lender-friendly while limiting risks to the FHA fund and the American taxpayer. Since President Obama's challenge will be to artfully weave dozens of such program initiatives into a cohesive recovery policy, we can reasonably expect more agency "experimentation" as new legislation is incorporated into the Obama Administration's "Financial Stability Plan". As intimated by Ms. Evans, if we survive the experiments, we may survive the recession!•





Left: Henry Paulson, official Treasury...

Right: Barney Frank

The Galt Mile News

The Galt Mile News is the official newsletter of the Galt Mile Community. Published 12 times a year, this publication is designed to educate the Galt residents of neighborhood-oriented current events and issues, and to offer residents Galt-specific discounts from various local merchants.

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Woodburn Announces 2009 Galt Mile Food Drive Kickoff

By Eric Berkowitz

On January 15th, early in the morning, Cooperative Feeding Program Executive Director Scott Woodburn met Fort Lauderdale Real Estate proprietor Domenic Faro and headed to Nick's Italian Restaurant. They weren't hungry. The food Scott was thinking about wasn't on the menu. When they arrived, they navigated to the back of the well-known eatery, where Domenic greeted about thirty of his friends and neighbors scattered about the room. However, Scott and Domenic were there on business. They then greeted City Manager George Gretsas, Assistant City Manager David Hébert, City Commissioner Christine Teel and Property Appraiser Media Director Bob Wolfe, who were also there on business. At 11 AM, everyone took their seats as GMCA President Pio Ieraci convened the neighborhood association's monthly Advisory Board meeting. Pio called on Scott to address representatives from the member associations on the Advisory Board.

Scott and Domenic represent Broward County's lead agency in the provision of services to the hungry and homeless. For 23 years, the Cooperative Feeding Program has provided counseling and support to help economically besieged families out of the throes of difficult times. In November, as Thanksgiving ritually encourages Americans to appreciate their families and reminds us how good it feels to share blessings, we look forward to extending that warm feeling through the Holiday Season. The Cooperative Feeding Program has institutionalized a methodology for accomplishing that. Last Thanksgiving, the CFP fed more than 4,200 families, distributing turkeys, hams, or gift cards. In keeping with modern delivery systems, they implemented a "Drive Through" to efficiently expand outreach. As the economy increasingly victimizes families, lines at The CFP wind further down the sidewalk, often into the street. Close to 200 showers per week are being provided. More than 350 hot meals are distributed each day, along with another 150 sandwiches for lunch.

The program was launched in 1982 when Pastor Luther Anderson of the First Lutheran Church in downtown Fort Lauderdale turned donations from Church members into a small pantry with food for the needy. The neighbors took umbrage when homeless and hungry people pleading for something to eat filled the street. As the service proportionally grew with demand, it had to undergo several relocations and otherwise adapt. Its initial 1987 501(c)(3) certification as a not-for-profit organization was later restructured as a 501(c)(3) Nondenominational, passing both control and outreach from Lutherans to anyone in need - also enabling eligibility for FEMA resources.

From the humble beginnings of distributing a few peanut butter and jelly sandwiches to the homeless, to today's provision of 1.2 million meals a year, the agency's dramatic development has reflected both the growing numbers and the growing needs of the poor in our community. Operating solely on the funds and gifts generated by socially conscious individuals, businesses and organizations like the Galt Mile Community Association, the Cooperative Feeding Program doesn't abide corporate conveniences. A remarkably pork-free 7% administrative overhead - audited - means resources are smoothly expedited from donors to hungry families. Rents were paid and move-in costs were provided to help families facing the tragic national disgrace of homelessness. The CFP has entered into formal collaborative service agreements with about 100 agencies, entitling them to prescreen clients for emergency services.

Reading from a letter previously sent to each association, Woodburn requested participation in the upcoming 2009 food drive. To compensate for the economic downturn's impact on families struggling to survive, he suggested that a special effort be made to surpass last year's record collections. To help stir the formulaic competition meant to incentivize increased contributions, Woodburn reminded the assemblage that little Edgewater Arms, the smallest member of the neighborhood association, handily won last year's trophy, both for total and per unit contributions. Domenic Faro, a Galt Mile resident and local business owner who serves as Vice President of the CFP Board of Directors, introduced the program to the Galt Mile neighborhood two years ago. Partnering with the GMCA imparted legs to the annual local event, creating the competitive framework that yielded two consecutive successful food drives. Scott's address was as follows:

A request for you to:

Be an important part of the 3rd Annual GALT OCEAN MILE Campaign to reduce hunger in Broward County...

Our 2008 Galt Food Drive, which included 21 Galt Condo Associations, was a huge success. Over 11,000 lbs of food and money donated and the Edgewater Arms was crowned Champion Condo Association.

Once again we are poised to initiate the 3rd Annual Galt Ocean Mile Food Drive. CFP Director and Committee Chair Domenic Faro, of L'Hermitage invites the entire Galt Ocean Mile Condo Association to join our campaign and participate in another exciting Galt Ocean Mile Food Drive.

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COMMISSIONER CHRISTINE TEEL

HITS THE NEW YEAR RUNNING

** In her February 2009 Newsletter, City Commissioner Christine Teel addresses three issues, the wide range of activities available at the Beach Community Center, the timely rescue of the Galt Mile Sun Trolley and a testament to a Galt Mile resident who grabbed the bureaucratic bull by the horns. From the opening days of the Beach Community Center, every room was claimed and put to good use by locals with a wide range of ideas and agendas. Responsive to these varied interests, the city sponsored a host of activities in three categories, Health & Wellness, Arts & Culture and Fun & Games.*

Galt Mile residents are usually surprised when initially confronted by the literally dozens of classes in Yoga, Pilates, Line and Ballroom Dance, Water Color Painting, Computers, Ping Pong, Bingo, Mahjongg, Bridge and Planned Day Trips to everywhere! Among the dozens of specialized functions, the Property Appraiser holds seasonal Homestead and Senior exemption advisory sessions, AARP conducts Driver Safety Classes and the Commissioner holds bi-weekly Pre-Agenda constituency meetings in preparation for the following day's City Commission meetings.

Last year, Broward County was charged with finding $100 million in budget cuts to accommodate the mandated statutory tax cut. Placed on the block were any local bus venues wherein utilization didn't justify continued operation. The Galt Mile Sun Trolley fell into that category. While the utilization rates were statistically inadequate, those local residents that did use the trolley proclaimed its necessity for their well being. Activities ranging from doctor visits at Holy Cross Hospital to food and pharmaceutical shopping were wholly dependent on the inexpensive public transportation. Commissioners Keechl and Teel lobbied their respective County and City peers, ultimately staying the planned service termination. As a result, the Sun Trolley continued to operate without interruption.

During 2008, Galt Mile residents sent emails and letters to the Galt Mile Community Association commenting on adverse aspects of the landscaping along Galt Ocean Drive. Several asked why the trees that replaced those decapitated by Hurricanes Katrina and Wilma were dying within one or two years of having been planted. Others questioned the quality of upkeep, focusing on erratically maintained sidewalk beds wherein wood chips surround browning vegetation. Several actually witnessed strollers inadvertently collide with untrimmed tree branches that were low enough to endanger temporarily distracted pedestrians and unsuspecting bicycle enthusiasts.

*One complainant, a Commodore resident named Jose "Chepo" Vega, volunteered to do whatever was necessary to fix the problem. Following the December GMCA Advisory Board meeting, wherein Chepo was appointed as liaison between the Parks personnel assigned to the Galt Mile area and the Neighborhood Association, Commissioner Teel offered to assist with this endeavor. The Commissioner introduced him to the relevant Parks Department officials, several of whom he subsequently escorted on a January 14th guided tour of the block's landscaping deficiencies. Through his efforts, the problems are currently being resolved. Chepo is representative of the rich diversity of passionate and competent volunteers working together to improve our lives, arguably our neighborhood's most valuable asset. – [editor] **

From the Desk of Commissioner Christine Teel

We're only a few weeks into 2009 and already time seems to be flying by. I hope our full and part-time residents are taking advantage of the many activities scheduled at the Beach Community Center. They offer a full calendar with activities for residents of all ages. Several people who take advantage of this resource have mentioned that they appreciate the opportunity to meet new friends in the community outside of their own condominium. If you haven't already done so, I encourage you to stop by to talk with the staff and look at the monthly events calendar.

A few months ago I received a disturbing call from one of the residents on the Galt Ocean Mile who was distraught to learn that the TMA trolley was abruptly stopped. The residents, who rely on the trolley for their doctor visits and trips to the mall at Oakland and Federal, had no prior notice that their only means of transportation would cease. I shared the frustration and disappointment with the Galt residents and worked diligently to get Broward County to resume running the trolley the next regularly scheduled day of operation. Funding was restored by Broward County and I will continue to work with the appropriate officials to keep the trolley running for the Galt Mile residents. If you haven't taken a ride on the trolley I encourage you to try it. Saving on gas and not having to find a parking space are certainly advantages, but it's also a fun way to get around town.

I would like to thank Jose "Chepo" Vega, a resident at The Commodore, for his commitment to the Galt Ocean Mile community. Jose contacted my office, concerned that the landscaping on the Galt Mile was not being properly pruned and maintained. Branches on the trees were too low, causing a hazard for pedestrians. I contacted the director of our Parks and Recreation Department, requesting that he meet with Jose on the Galt Mile to evaluate his concerns. The result was that Jose's concerns were valid and his input invaluable. Jose is now assisting our staff to ensure that the landscaping on the Galt Ocean Mile is maintained in a manner that enhances its beauty and longevity.

Please feel free to contact me with any questions or suggestions. I can be reached at city hall at (954) 828-5004 or by e-mail at cteel@fortlauderdale.gov •

Food Drive...Continued

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The month of March has been designated the 2009 GALT Ocean Mile Food Drive month. A special "Walk against Hunger" will kick off the month-long Food Drive. We have the food collection boxes, posters, mail box stuffers and flyers to help you announce the walk and food drive to your residents and provide a description of what types of non-perishable items are needed. We will also work with each Condo Association to advise you on organizing the food drive, promotional considerations, food collection and handling pick up and delivery to the Cooperative Feeding Program.

Hunger remains a real problem in Broward County as 1-out-of-4 goes to bed hungry every night. With your help, fighting it will be as easy as A-B-C!

Sincerely,

Scott A Woodburn
Cooperative Feeding Program
954-629-7381

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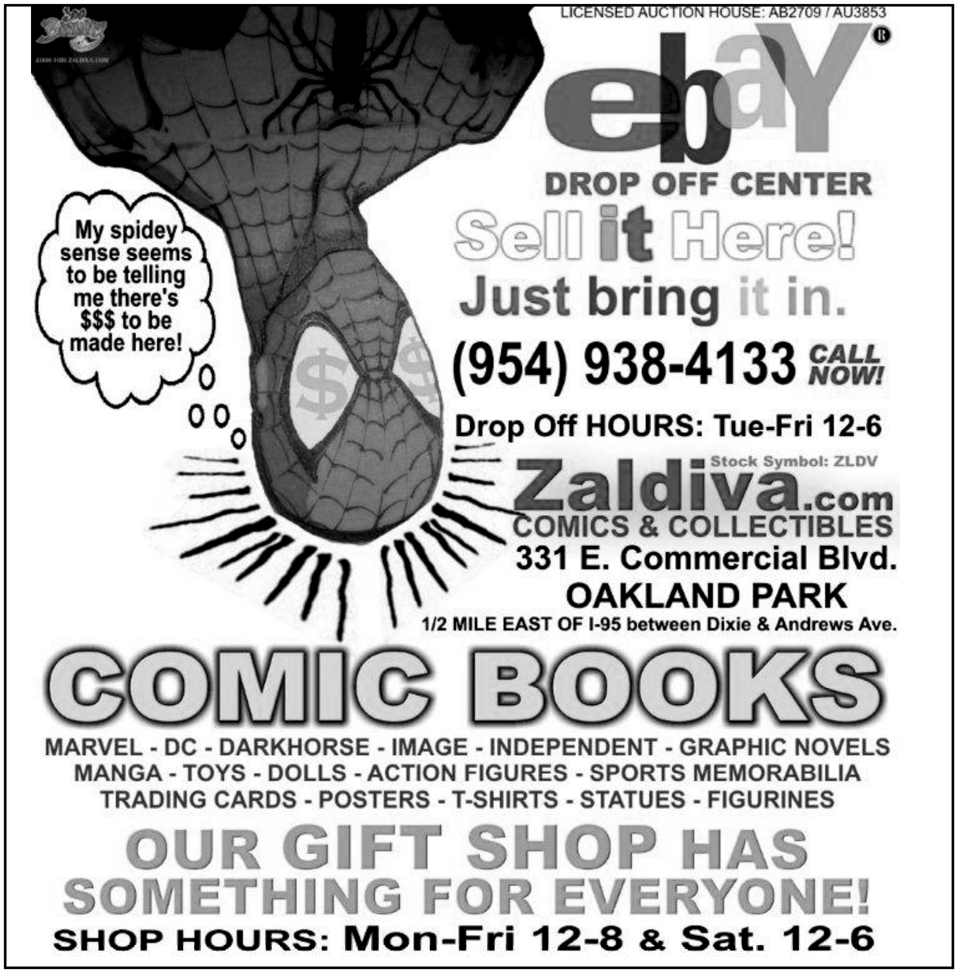
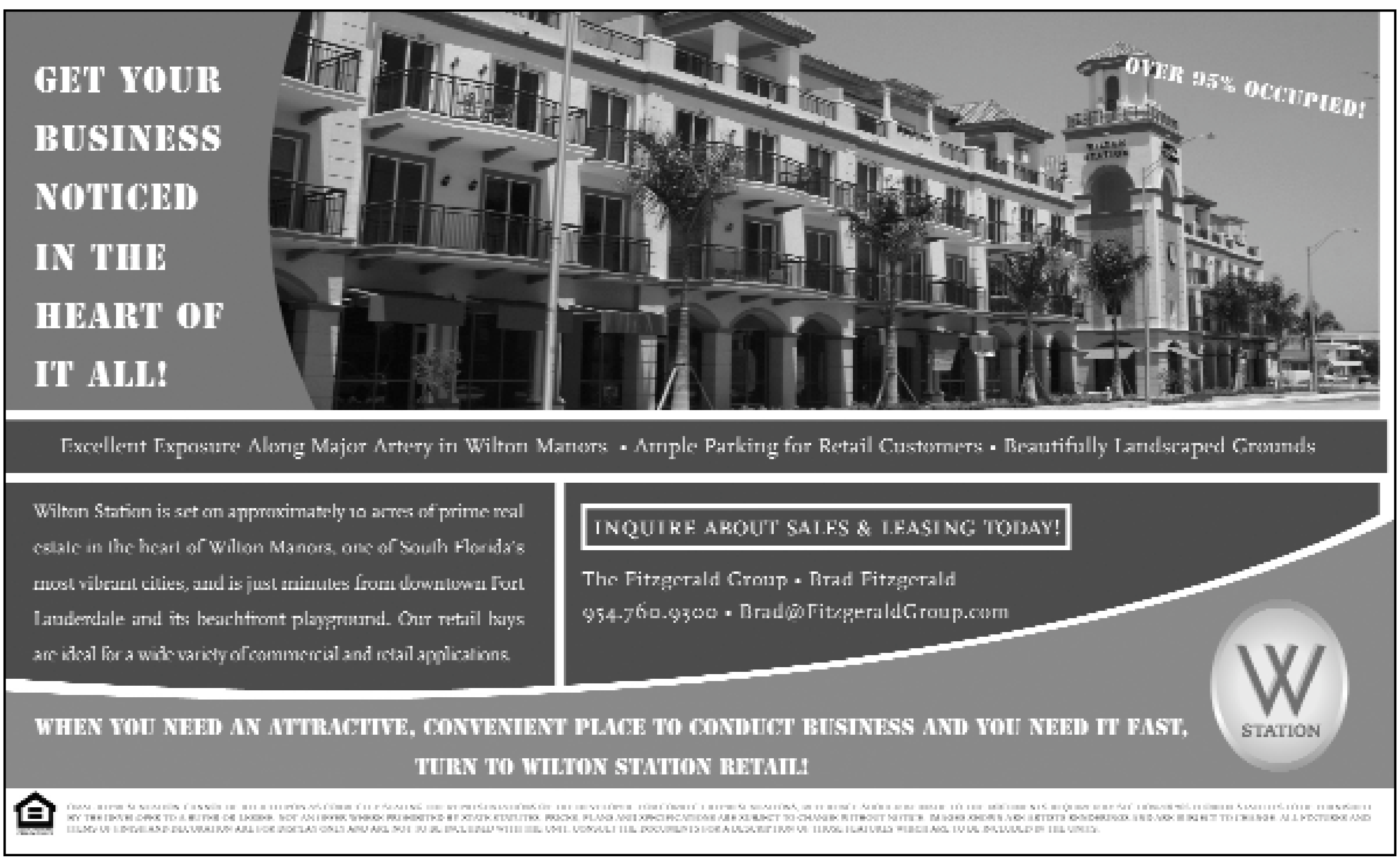
954-792-2328, fax 792-9982
www.feedingbroward.org





COMMISSIONER KEN KEECHL'S CORNER

**At the December 18th Galt Mile Community Association Advisory Board meeting, Broward County Vice Mayor and District 4 Commissioner Ken Keechl reviewed several county issues that impact local residents. Immediately following a discussion about frustrating beach renourishment delays, our newly named Vice Mayor segued to a description of the County Courthouse. "The 50 year-old structure is falling apart. Pipes are bursting on a regular basis, the elevators continuously break down and the building is rife with mold." Fresh in his mind was the most recent implosion.*

On Sunday night, November 30th, a 2-inch break in a water main sent gallons of pressurized water shooting into the Clerk of Courts Howard Forman's office, flooding the first and second floors of the Broward County Judicial Complex in downtown Fort Lauderdale and forcing the cancellation of all proceedings except for emergency bond hearings and filing restraining order petitions. In addition to damaging computers and the phone system, reports and files in the traffic misdemeanor division, administration division and human resources division as well as confidential pleadings were soaked by the flood. Forman said that since none of the files were scanned into the system, unrestorable documents would have to be pieced together from information in other copies or requested from various attorneys. Vice Mayor Keechl told Advisory Board members that the County Commission faces a dilemma. They must decide whether to replace or rehabilitate the deteriorating structure.

Last February, the courthouse closed when a sewer pipe backed up on the third floor, costing the county about $1.2 million. The courthouse also was shuttered for about two weeks when Hurricane Wilma tore through in 2005, shattering about 175 windows and bursting water pipes as rain inundated judges' chambers, court offices and the jury pool room. The newer north wing was covered by an inch of water. Recently, former state Senator Skip Campbell, has written county commissioners threatening to sue for negligence and violations of state building standards on behalf of judicial aides Patti Buchholtz and Sue Rentel, who claim mold-related symptomatic suffering from breathing impairment and frequent colds.

In 2006, voters overwhelmingly rejected a $450 million courthouse bond issue allocating $339 million for a new courthouse and the balance to build 10 more courtrooms and make other improvements - both downtown and in the county's satellite courthouses. Assistant County Administrator Pete Corwin estimated that a 700,000-square-foot courthouse would cost about $280 million today, with another $25 million needed to add a 1,000-car parking garage. He said, "$60 million has already been already set aside for courthouse construction projects and the garage cost would be offset by increased parking revenues."

Commissioner Keechl detailed the problems he has with replacing the courthouse. "Broward voters have already told us that they don't want it - and neither do I." Keechl explained "In 2006, residents ridiculed the notion of spending money to make criminals and lawyers more comfortable. Make no mistake, that is not the issue. We need a courthouse and this one is falling apart. Although replacing it may make sense financially, doing so while so many people can't make their mortgage payments or feed their families is inappropriate." Resorting to an analogy, Keechl said that if any of us couldn't afford to replace a badly leaking roof, we would fix it until our fiscal situation improved. "That is what I think we should do," said Keechl, "make the necessary repairs and when the economy recovers, build a new one."

The Vice Mayor's January Newsletter summarizes the controversy and reviews the County Commission's current intentions. Amid arguments to place another $350 million Courthouse bond issue on the March ballot (despite the economic environment's considerable erosion since the failed 2006 attempt), on December 8th, the Commission passed Mayor Stacy Ritter's Resolution No. 2008, creating the "Courthouse Task Force Advisory Committee" to review the alternatives. Chaired by Commissioner Ilene Lieberman, the committee serves from January 1st through June 30th and will include one or more 17th Judicial Circuit Court judges, representatives of the State Attorney, the Public Defender, the County Clerk, the Office of Court Administration, one or more local attorneys, a resident from the business community and a municipal official.

*While the resolution functionally dispensed with proposals by Commissioners Josephus Eggletion and John Rodstrom to place the bond issue on the March ballot, the controversy will be revisited this summer, when the Committee's report illuminates the comparative costs of repairing or replacing the Court facilities. Given the current fiscal dynamic, recommendations will likely envision scaled back versions of the ambitious construction projects previously considered. Since new tax dollars will likely be required to fund virtually any of the alternatives, Commissioner Keechl is polishing up his magnifying glass, stocking extra batteries for his calculator and ordering reserves of fingerprint powder to deter excessive access to the County coffers. – [editor]**

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"Broward's Courthouse Problem: More Taxes Aren't The Solution"

by Broward County Commissioner and Vice Mayor Ken Keechl

Two years ago I decided I wanted to be your County Commissioner. Why? First and foremost, I felt that the residents of Broward County were being overtaxed. Additionally, I felt that the Broward County Commission needed a new focus. More accurately, I felt that the Commission needed to actually have a focus. In my opinion, too many important issues weren't being adequately addressed.

I have previously written about a few of these issues: the need to expand the Fort Lauderdale-Hollywood International Airport; the need to reorganize and downsize Broward County's governmental bureaucracy; and the need for an amendment to Broward's land use regulations to promote the protection of our dwindling green spaces.

In the past two years since Mayor Ritter and I were elected, the Broward County Commission has finally addressed each of these issues. Many additional issues have yet to be addressed, but will be over the next two years. For example, we are finally addressing another pressing issue that has been ignored for far too long: our outdated courthouse in downtown Ft. Lauderdale.

Each of the nine Broward County Commissioners agrees that our downtown courthouse is antiquated and in a serious state of disrepair. We have a mold problem. We have bursting water pipes. We have elevators that constantly break down. We have a parking problem. We all agree that action is necessary. However, we don't all agree on the same course of action.

Continued on page 11

Keechl...Continued

A few of my colleagues believe we should build a new downtown courthouse and ask the voters to pay for it by allowing the County to increase their tax bill. I strongly disagree. I believe we should renovate the existing downtown courthouse, and pay for it with existing funds. In fact, I successfully argued against placing a courthouse bond issue on your March 2009 ballot. I was absolutely convinced that asking Broward's residents to increase their tax bills was a mistake. And to add insult to injury, it would have cost us $3,500,000.00 in property tax dollars to put it on the ballot.

Fortunately, sane minds prevailed and the bond issue will not appear on your ballot anytime soon.

Instead, we all agreed to support Mayor Ritter's proposal to form a Courthouse Task Force. This Task Force will be given wide latitude to investigate and consider every possibility to remedy our downtown courthouse problem. This Task Force will be headed by Broward County Commissioner Ilene Lieberman and will be comprised of those stakeholders who are involved in the judicial system, along with representatives from within Broward's business community. The Task Force must present its finding and recommendations to the Broward County Commission within 6 months.

I have said it before and I will say it again: I will never vote to increase your taxes. In these trying economic times, we must learn to do more with less. My philosophy has prevailed on the Broward County Commission for the last two years. And I will keep advocating my philosophy for the remaining two years of my first term.

My best to you and your families.
Broward County Commissioner and Vice Mayor Ken Keechl
www.broward.org/KenKeechl (954) 357-7004

EASILY REMOVE AND PLACE ON YOUR FRIDGE

APRIL / MARCH

SUN	MON	TUE	WED
8 ArtExplosion 2009 (Through 2/21) Fort Lauderdale Info.: 954-568-1154 Urban Gourmet Market 1201 E. Las Olas Blvd. 9 a.m. to 4 p.m. Info.: 954-462-4166	**9**	**10** Purim Dame Edna (Through 3/29) Parker Playhouse Info.: 954-462-5573	**11** Harry James Orchestra, Golden Age of Swing Broward Center Info.: 954-524-0805
15 Urban Gourmet Market 1201 E. Las Olas Blvd. 9 a.m. to 4 p.m. Info.: 954-462-4166	**16** Vice Mayor Christine Teel: Pre-Agenda Meeting Beach Community Center 6 p.m. Info.: 954-828-5033	**17** Fort Lauderdale City Commission Meeting City Hall 6 p.m. Elected City Offical Term Begins Florida Panthers vs. Washington Capitals BankAtlantic Center	**18** Noon Tune Joey Gilmore Band (Blues Stranahan Park, Noon to 2 p.m
22 Urban Gourmet Market 1201 E. Las Olas Blvd. 9 a.m. to 4 p.m. Info.: 954-462-4166 The Best of Brazilian Bassa Nova w/ Latin Grammy nominee Roberto Menescal Fairchild Tropical Garden 7 p.m. Info.: 305-667-1651 X 3391	**23** Florida Panthers vs. Carolina Hurricanes BankAtlantic Center	**24**	**25** Noon Tune Free Ride (Classic Rock-n-Roll Stranahan Park, Noon to 2 p.m
29 Urban Gourmet Market 1201 E. Las Olas Blvd. 9 a.m. to 4 p.m. Info.: 954-462-4166	**30**	**31** Florida Panthers vs. Ottawa Senators BankAtlantic Center	**1**
5 Urban Gourmet Market 1201 E. Las Olas Blvd. 9 a.m. to 4 p.m. Info.: 954-462-4166 SunTrust Sunday Jazz Brunch On Riverwalk **Sunday Jazz Brunch** Riverwalk, Downtown FL 11 a.m. to 2 p.m. Info.: 954-828-5985	**6** Vice Mayor Christine Teel: Pre-Agenda Meeting Beach Community Center 6 p.m. Info.: 954-828-5033	**7** Fort Lauderdale City Commission Meeting City Hall 6 p.m.	**8** Erev Pesach (Passover Jersey Boys, Broadway (Through 5/3) Broward Center Info.: 954-462-0222

THU	FRI	SAT
12 Fort Lauderdale International Auto Show (Through 3/15) Convention Center Info.: 954-765-5900	**13** Jazz on the Square The Village Grille Commercial Blvd. & A1A 7 p.m. Info.: 954-776-5092 International Orchid Festival (Through 3/15) Fairchild Tropical Garden 9:30 a.m. to 4:30 p.m. Info.: 305-667-1651 X 3344	**14** Fort Lauderdale Open (Through 3/15) South Beach Park Info.: 561-241-3801 2009 Broward Walk to Cure Diabetes Flamingo Gardens Check-in/Registration: 8:00 a.m. Miami City Ballet (Through 3/15) Broward Center Info.: 887-929-7010
19 GMCA Advisory Board Meeting Nick's Italian Restaurant 11 a.m.	**20** Jazz on the Square The Village Grille Commercial Blvd. & A1A 7 p.m. Info.: 954-776-5092 First Day of Spring	**21** PrideFest 2009 (Through 3/22) War Memorial Auditorium Info.: 954-828-5380 A Night of Literary Feasts Info.: 954-357-5954 Hollywood Festival of the Arts (Through 3/22) Artspark at Young Circle, Hollywood Info.: 954-921-3404
26	**27** Jazz on the Square The Village Grille Commercial Blvd. & A1A 7 p.m. Info.: 954-776-5092	**28** Food and Garden Festival (Through 3/29) Fairchild Tropical Garden 9:30 to 4:30 p.m. Info.: fairchildgarden.org
2 Iron Maiden BankAtlantic Center Info.: 800-745-3000 Le nozze di Fiaro, FL Grand Opera Broward Center Info.: 954-462-0222	**3** Jazz on the Square The Village Grille Commercial Blvd. & A1A 7 p.m. FGRA Sunshine Stampede Rodeo (Through 4/5) Info.: 1800-692-1644	**4** Le nozze di Fiaro, FL Grand Opera Broward Center Info.: 954-462-0222
9	**10** Jazz on the Square The Village Grille Commercial Blvd. & A1A 7 p.m. Good Friday	**11** Florida Panthers vs. Washington Capitals BankAtlantic Center Orchid/Bromeliad Show and Sale Flamingo Gardens (Through 4/12) 9:30 a.m. to 4:30 p.m.

UPCOMING EVENTS IN OUR AREA

April 18
Global Groove
Artspark at Young Circle Hollywood
Info.: 954-921-3404

April 24 - 26
Pompano Beach Seafood Festival
Pompano Beach
Info.: 954-570-7785

April 25
Spring Plant Sale
Fairchild Tropical Garden
9:30 a.m. to 4:30 p.m.

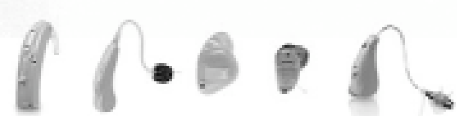
April 25 - 26
Tropical Fish Show and Sale
Flamingo Gardens

April 25 - 26
Seaside Craft Fair
Hollywood Beach Broadwalk
Info.: 954-924-2980

April 27
Katy Perry
Revolution Live

April 27 - May 2
Fleet Week USA
Port Everglades
Info.: 954-467-3555

May 15 - 17
Red, White & Bluegrass Festival
Hollywood Beach Broadwalk
Info.: 954-921-3404



INFORMATION STATION

GET THE 411

PICKUP A FREE PARKS & REC CALENDAR

The calendar features important programming information, including a map of City park facilities, registration dates and a list of special events.

To pick up your free calendar, visit the City of Fort Lauderdale Parks & Recreation Administration Office at 1350 W. Broward Blvd. from 9 a.m. to 4 p.m.

YOGA & WOMEN'S OUTDOOR WORKOUT

Riverwalk Trust, in partnership with the City of Fort Lauderdale, introduces yoga and Women's Outdoor Workout along Riverwalk Park. Drop in for a class or sign up for unlimited access to weekday wellness.

Yoga classes are offered in the Esplanade Gazebo at 9 a.m. on Mondays, Wednesday, and Fridays and 10:30 a.m. on Saturday.

Women's Outdoor Workout (W.O.W) is available in Huizenga Plaza at 5:15 p.m. on Mondays, Wednesdays, and Thursdays.

To sign up for yoga, call Jess Elizabeth at 954-292-0587.
To sign up for W.O.W, call Lee Torrain at 954-253-5357.

FEBRUARY PRIMARY ELECTION

WE ARE DONE. There will be no Run-Off Election in March. Voter turn-out for the February 10, 2009, primary election was pretty good. In August of 2008, countywide voter turn-out was a dismal (11.3%). But this primary improved to 14.45%. Turn-out by precinct ranged from a high of 40.38% (R030 in Colee Hammock) to a low of 0% (R014 & R066).

DOWNTOWN AMBASSADOR PROGRAM

In response to the increased challenges in the area of public safety, the Downtown Development Authority (DDA) has looked into ways to make the downtown environment safer and more attractive. After looking at examples both regionally and nationally, we have initiating a Downtown Ambassador Program (DAP), which has proven to be a success in other communities such as Atlanta, Jacksonville, and Vancouver.

The Downtown Ambassador Program consists of local community volunteers whom serve as both eyes on the street and representatives of the community to provide information to residents and visitors. The following are the four major responsibilities of the ambassadors:

- Provide the public with useful information regarding local attractions/upcoming events through maps and other handouts
- Answer general questions
- Call for medical and/or police assistance if needed
- Identify and report hazards, graffiti, and criminal activity

Ambassadors are able to move around either by walking or through the use of a provided street-legal golf cart or bicycles. Cell phones have also been provided.

The DDA is currently accepting new volunteers into the program. Ambassadors must first complete the training that is provided by the DDA, the Fort Lauderdale Police, and the Park Rangers. Interested parties should contact either Kim Centamore at 954-931-8764, Chadwick Blue of the DDA at 954-463-6574) or email myambassadors@gmail.com