Agenda Item #: 5

#### PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### AGENDA ITEM SUMMARY

Meeting Date:	November 17, 2015		[X] Regular [ ] Public Hearing		
Department:	Department of Economic Sustainability				
Submitted For:	Housing Finance Authority of Palm Beach County				

## I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to adopt:** a Resolution of the Board of County Commissioners of Palm Beach County, Florida, approving the issuance of not exceeding \$50,000,000 Housing Finance Authority of Palm Beach County, Florida (the "Authority"), Homeowner Revenue Bonds, Multiple Series (the "Bonds") within the meaning of Section 147(f) of the Internal Revenue Code of 1986, as amended, the proceeds of which are to be used to implement its Single Family Homeowner Program (the "Program"), which Program is for the purpose of providing financing to qualified homebuyers of single family residential housing facilities within the Authority's area of operation; and providing an effective date.

Summary: To implement the Program, the Authority may issue Bonds in one or more series or the Authority may elect to issue mortgage credit certificates in lieu of Bonds. Prior to the issuance of any Bonds, the Authority will seek approval from the Board of County Commissioners (BCC) in accordance with Section 2-190, Palm Beach County Code of Ordinances. The Program will provide financing to qualified applicants for the purchase of single family owner-occupied homes within the Authority's area of operation. The financing will be in the form of below market interest rate mortgage loans if Bonds are issued, or mortgage credit certificates that allow a first time homebuyer a dollar-for-dollar credit against their Federal income tax liability up to \$2,000 annually for the term of their first mortgage loan as long as they stay in the home as their principal residence. It is estimated that 300 first time homeowners will benefit from the Program over a three (3) year origination period. In 2015, the income limit for a one (1) or two (2) person household applying to the Program is \$78,720, and the income limit for households having three (3) or more persons is \$91,840. Income limits are adjusted annually by the U.S. Treasury Department. Neither the taxing power nor the faith and credit of the County, nor any County funds, shall be pledged to pay principal or redemption premiums, if any, or interest on the Bonds. (HFA of PBC) Countywide (PFK)

**Background and Justification:** The Authority was established by the BCC in 1979 in accordance with Part IV of Chapter 159, Florida Statutes. The adoption of this Resolution by the BCC would constitute the approval required under Section 147(f) of the Internal Revenue Code of 1986, as amended.

Attachment(s): 1. Resolution		
Recommended By: _	Sunstoury	10-22-15
	Department Director	Date
Approved By:	Assistant County Administrator	

## II. FISCAL IMPACT ANALYSIS

## A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures			·····		
Operating Costs					
External Revenues	-				
Program Income	-				
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes \_\_\_\_\_ No \_\_X\_\_\_ Budget Account No.:

- B. Recommended Sources of Funds/Summary of Fiscal Impact:
  - $\star$  <u>All costs to be borne by the Housing Finance Authority. No fiscal impact to</u> <u>Palm Beach County.</u>
- C. Departmental Fiscal Review: N/A

# III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

OFME

9115 Contract Development and Bwheelu

B. Legal Sufficiency:

6/30/15 Assistant County Attorney

C. Other Department Review:

**Department Director** 

## RESOLUTION NO. R2015 - \_\_\_\_\_

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE OF NOT EXCEEDING \$50,000,000 HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA ("THE AUTHORITY"), HOMEOWNER REVENUE BONDS, MULTIPLE SERIES (THE "BONDS") WITHIN THE MEANING OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE PROCEEDS OF WHICH ARE TO BE USED TO IMPLEMENT ITS SINGLE FAMILY HOMEOWNER PROGRAM (THE "PROGRAM"), WHICH PROGRAM IS FOR THE PURPOSE OF PROVIDING FINANCING TO QUALIFIED HOMEBUYERS OF SINGLE FAMILY RESIDENTIAL HOUSING FACILITIES WITHIN THE AUTHORITY'S AREA OF OPERATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Authority was created pursuant to Part IV, Chapter 159, Florida Statutes, and Article V, Division 3, Sections 2-181 et seq., Palm Beach County Code of Ordinances (the "Ordinance"); and

**WHEREAS**, the Board of County Commissioners of Palm Beach County, Florida (the "Board"), has heretofore adopted Resolution No. 79-1150 declaring its need for the Authority to function in order to alleviate the shortage of housing and capital investment in housing within Palm Beach County, Florida (the "County"); and

**WHEREAS**, the Authority held a properly noticed public hearing pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") on October 9, 2015 regarding the proposed issuance of its Homeowner Revenue Bonds, Multiple Series (the "Bonds"); and

**WHEREAS**, the Bonds will be issued by the Authority to implement its Program, which Program is for the purpose of providing financing to qualified homebuyers of single family residential housing facilities, within the Authority's area of operation; and

WHEREAS, the Authority may, in order to implement the Program within the Authority's area of operation, and as permitted under the Code, alternatively elect to issue mortgage credit certificates in lieu of Bonds; and

WHEREAS, the Bonds shall be limited obligations of the Authority payable from the revenues derived from mortgage loans which qualifying lending institutions participating in the program (the "Participants") will originate and sell to the Authority, or a servicer appointed by the Authority. The mortgage loans, or mortgage credit certificates if issued in lieu of Bonds, will assist with the financing of the acquisition of owner-occupied single family residences within the Authority's area of operation which qualify under the Program. The mortgage loans, or mortgage credit certificates if issued in lieu of Bonds, will be originated by the Participants generally over a ten (10) to thirty-six (36) month period of time, to persons meeting certain income and other requirements prescribed under the Program and by the Code; and

**WHEREAS**, the Bonds shall not be a debt of the Authority, the County, the State of Florida (the "State"), nor any political subdivision thereof; and neither the Authority, the County, the State nor any other political subdivision thereof shall be liable thereon; and

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds within the meaning of Section 147(f) of the Code.

# NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA;

1. That the above recitals are hereby adopted by the Board as the findings of the County and are incorporated herein.

- 2. That the issuance of the Bonds pursuant to a plan of finance is approved within the meaning of Section 147(f) of the Code.
- 3. That prior to the issuance of the Bonds, the Board shall approve the sale thereof within the meaning of the Ordinance.
- 4. That the Mayor and the Clerk are authorized to execute this Resolution on behalf of Palm Beach County, Florida.
- 5. That this Resolution shall take effect upon adoption.

The foregoing Resolution was offered by Commissioner \_\_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_\_, and being put to a vote, the vote was as follows:

Commissioner Hal R. Valeche	-
Commissioner Paulette Burdick	
Commissioner Shelley Vana	
Commissioner Steven L. Abrams	
Commissioner Mary Lou Berger	=
Commissioner Melissa McKinlay	-
Commissioner Priscilla A. Taylor	

The Mayor thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

# PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

### APPROVED AS TO FORM AND LEGAL SUFFICIENCY

ATTEST: SHARON R. BOCK CLERK & COMPTROLLER

By: \_

Assistant County Attorney

By: \_\_\_\_ Deputy Clerk