5B-3

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

July 12, 2016

[] Consent

[X] Regular

[] Ordinance

Public Hearing

Submitted By:

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 \$100,000,000 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 first-time homebuyers of single family residential housing facilities within the Authority's area of operation; and providing an effective date.

Summary: The Program would provide financing to qualified applicants for the purchase of single family owner-occupied homes within the Authority's area of operation through the provision of below market interest rate mortgage loans over a three (3) year origination period. In 2016, the income limit for a one (1) or two (2) person household applying to the Program is \$76,156, and the income limit for households having three (3) or more persons is \$87,579. Income limits are adjusted annually by the U.S. Treasury Department. To implement the Program, the Authority will apply for private activity bond allocation to issue such Bonds in one or more series, or the Authority may elect to convert all or a portion of any private activity bond allocation for the issuance of bonds to finance multifamily rental housing projects for occupancy by persons or families at 60% of area median income. 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. 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 constitutes the approval required under Section 147(f) of the Internal Revenue Code of 1986, as amended.

Attachment(s):

1. Resolution

Recommended By:

Department Director

Date

Approved By:

Assistant County Administrator

/_ /-

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| 2016 | 2017 | 2018 | 2019 | 2020 |
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| # ADDITIONAL FTE | | | |
|------------------------|--|---------------------------------------|-------|
| POSITIONS (Cumulative) | | | |
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| Is Item Included In Current Budget? | Yes | No | Χ |
|-------------------------------------|-----|----|---|
| Budget Account No.: | | _ | |

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

III. REVIEW COMMENTS

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

| OFMB, ET 6/27 MB Ph (6/28 28 6/24) | Contract Development and Control |
|------------------------------------|----------------------------------|
|------------------------------------|----------------------------------|

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

RESOLUTION NO. R2016 -

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE OF NOT EXCEEDING \$100,000,000 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 Executive Director of 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 June 27, 2016 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

| 5. I hat this Resolution shall take e | ffect upon adoption. |
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| | oy Commissioner, who moved its Commissioner, and being put to a |
| | che, Vice Mayor irdick ha brams Kinlay |
| , 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 |