



Broward County

Legislation Text

File #: 20-202, Version: 1

Broward County Commission Regular Meeting

Director's Name: Henry A. Snizek

Department: Environmental Protection

Division: Housing Finance & Comm. Redevelopment

Information

Requested Action

MOTION TO ADOPT Resolution No. 2020-056 of the Board of County Commissioners of Broward County, Florida, authorizing the Housing Finance Authority of Broward County, Florida (the "HFA") to carry forward 2019 Private Activity Bond Allocation; authorizing the request for 2020 Private Activity Bond Allocation; approving a plan of financing involving the issuance by the HFA of its Single Family Mortgage Revenue Bonds (the "Single Family Bonds") in an aggregate amount not to exceed \$250,000,000, in one or more series; approving the Single Family Bonds as required by Section 147 (f) of the Internal Revenue Code of 1986, as amended (the "Code"); authorizing the HFA to publish a notice and hold a public hearing in accordance with Section 147(f) of the Code; approving the use of State-Awarded Private Activity Bond Allocation for Mortgage Credit Certificate Programs or multifamily carry-forward; authorizing the proper Officers, the Executive Director, and the employees and agents of the HFA to do all things necessary or advisable in connection with the plan of financing and the issuance of the Single Family Bonds, and ratifying prior actions regarding same; and providing for an effective date for this Resolution.

Why Action is Necessary

Pursuant to Ordinance No. 70-41 enacted by the Board of County Commissioners of Broward County, Florida (the "Board") and effective on July 3, 1979, the Board created the Housing Finance Authority of Broward County, Florida (the "HFA") in accordance with Part IV, Chapter 159, Florida Statutes (the "Act"). This ordinance requires the Board to approve the request action.

What Action Accomplishes

Allows the HFA to issue its Single Family Mortgage Revenue Bonds in one or more series in an aggregate principal amount not to exceed \$250,000,000 as part of a Plan of Financing using the State of Florida (the "State") "private activity bonds" and ratifies (i) the publishing of a notice of public hearing and conducting such public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) the carrying forward of unused private activity bond allocation received from the State in 2019, and (iii) the requesting of private activity bond allocation in an amount up to the amount allocated to Broward County for 2020.

Is this Action Goal Related

Yes

Previous Action Taken

No Previous Action

Summary Explanation/Background

THE ENVIRONMENTAL PROTECTION AND GROWTH MANAGEMENT DEPARTMENT AND THE HOUSING FINANCE AND COMMUNITY REDEVELOPMENT DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

This item supports the Board's vision of offering sustainable, compatible, innovative housing options for all income-levels integrated supportive housing and rapid-rehousing: Goal 1: Facilitate a regional approach to growth and redevelopment through coordination and collaboration at the federal, state, and local levels; Goal 2: Increase the availability of affordable housing of all types, countywide, in every community using effective, uniform criteria, policies and strategies; Goal 3: Identify affordable workforce housing funding, to include a local, dedicated source of revenue; Goal 4: Develop, through municipal collaboration, neighborhoods and communities connecting affordable housing to reliable, accessible modes of transportation; and Goal 5: Promote housing and community redevelopment that integrates energy efficiency, community resilience, and other livability standards and initiatives.

The HFA is authorized to issue Single Family Mortgage Revenue Bonds ("Single Family Bonds") for single family housing in accordance with Resolution No. 2019-013 (Exhibit 2), adopted by the HFA on October 16, 2019. The issuance of Single Family Bonds is subject to approval by the HFA and the Board prior to issuance. The HFA intends to issue Single Family Bonds, in one or more series, in an amount not to exceed \$250,000,000, to (i) refund certain outstanding obligations of the HFA, (ii) purchase federally insured or guaranteed mortgage loans originated by participating local lending institutions to finance or refinance the purchase of new or existing owner-occupied single-family residences (a) located within Broward County, and (b) owned by persons or families of low, moderate or middle income, (iii) purchase securities from a master servicer evidencing interests in or backed by a pool of mortgage loans, and/or (iv) be used in conjunction with a Mortgage Credit Certificate program.

The State's private activity bonds allocation ("Allocation") procedures require that (i) a public hearing be held under the Tax Equity and Fiscal Responsibility Act ("TEFRA") with respect to the Single Family Bonds, and (ii) the issuance of the Single Family Bonds be approved by the Board for purposes of Section 147(f) of the Code, all prior to requesting Allocation for Single Family Bonds.

At its regular meeting on October 17, 2018, the HFA approved (a) Resolution No. 2018-021 (Exhibit 3) which authorized the existing plan of financing (the "Plan of Financing") within the meaning of Section 147(f)(2)(C) of the Code, and (b) Resolution No. 2018-022 (Exhibit 4), authorizing a public hearing and the HFA's intent to issue the Single Family Bonds pursuant to the Plan of Financing. A public hearing was held on February 27, 2019 with respect to the existing Plan of Financing and the issuance of the Single Family Bonds. HFA Resolutions No. 2018-021 and No. 2018-022 were prepared by Bond Counsel and approved as to form by the Office of the County Attorney.

On April 19, 2019, the Board adopted Resolution No. 2019-130, pursuant to which it approved the public hearing and the issuance of the Single Family Bonds for purposes of Section 147(f) of the Code (the "Current TEFRA"). The HFA desires to re-adopt the existing Plan of Financing within Section 147(f)(2)(C) of the Code.

Pursuant to HFA Resolution No. 2019-013, the HFA held a TEFRA Hearing on January 22, 2020 with respect to the Plan of Financing and the issuance of the Single Family Bonds. The TEFRA Hearing was held, as required by the Code, after proper notice was published on January 13, 2020 in the Sun Sentinel newspaper (the “TEFRA Notice”), for the purpose of giving all interested persons the opportunity to express their views in connection with the approval of the issuance of the Single Family Bonds.

On December 19, 2019, the HFA submitted certain required forms to the Division of Bond Finance (the “Division”) to enable it to carry-forward the unused portion of the Allocation received from the State in 2019.

On or about December 30, 2019, the HFA submitted certain required forms to the Division requesting Allocation for the Single Family Bonds in an amount up to the amount allocated to the County for 2020 by the Division using the Current TEFRA.

Adoption of this Resolution: a) approves (i) the Plan of Financing, (ii) the use of the Allocation, and (iii) the issuance of the Single Family Bonds in an aggregate principal amount not to exceed \$250,000,000 for purposes of Section 147(f) of the Code, and (b) ratifies the HFA’s actions in connection with (i) publishing a TEFRA Notice, (ii) conducting the TEFRA Hearing (minutes found at Exhibit 5), (iii) carrying forward the unused portion of the Allocation received from the State in 2019, and (iv) requesting Allocation for the Single Family Bonds in an amount up to the amount allocated to the County for 2020 by the Division using the Current TEFRA. It should be noted that any specific bond issuance(s) utilizing the proceeds of the Single Family Bonds will be subject to the prior approval of the HFA and the Board.

Source of Additional Information

Ralph Stone, Director, Housing Finance and Community Redevelopment Division, 954-357-5320

Fiscal Impact

Fiscal Impact/Cost Summary

There is no fiscal impact to the County.