

BREVARD COUNTY
HOUSING FINANCE AUTHORITY

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MEMORANDUM

TO: Members of the Brevard County Housing Finance Authority

FROM: Angela A. Abbott, Esquire

DATE: August 7, 2019

RE: Private Activity Bond Allocation and multifamily activity

Due to increased interest in local financing of multifamily projects, private activity bond ("PAB") allocation is expected to become increasingly competitive and scarce over the next few years. For bond allocation purposes, Brevard County is in Region 17 with Volusia County. Region 17 had a pool of \$57,198,630 in PAB allocation in 2019. The regional pool is available until June 30th. On July 1, the regional pools are dissolved with unused allocation reverting to the State pool. Unused allocation in the State pool becomes available to local issuers on November 16th on a statewide, first come, first served basis. The purpose of the Public Hearing and Resolution No 19-03 is to allow the Authority to apply for allocation prior to the end of 2019, which may be converted to carryforward allocation for single family bonds, mortgage credit certificates or multifamily bonds over the next three years. The Board of County Commissioners will have to approve the public hearing. It is expected that the Volusia County Housing Finance Authority will be applying for PAB allocation for multifamily projects in late 2019 or early 2020. It is important that the Authority attempt to preserve PAB allocation for future issues.

Last week, a notice and the short bond application were posted to the Authority's website and circulated to the Coalition of Affordable Housing Providers and developers. The purpose of the short application is to encourage developers to utilize local bonds in connection with gap financing through the Florida Housing Finance Corporation ("FHFC"). I recommend that, if applications are received, you authorize the Chairman and/or me to execute the confirmation letters that the developers will need to submit with their SAIL, CDBG or other gap financing applications with FHFC.