

RESOLUTION NO. 2020-10

A RESOLUTION OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY AUTORIZING THE INITIATION OF ACTION IN CONNECTION WITH THE PROPOSED ISSUANCE OF SINGLE FAMILY MORTGAGE REVENUE BONDS; AUTHORIZING THE INITIATION OF ACTION, IN THE EVENT SUCH BONDS ARE NOT ISSUED, TO ESTABLISH A MORTGAGE CREDIT CERTIFICATE PROGRAM; AUTHORIZING THE EXCHANGE OF UP TO \$40,000,000 OF SINGLE FAMILY PRIVATE ACTIVITY BOND ALLOCATION FOR UP TO \$10,000,000 OF MORTGAGE CREDIT CERTIFICATE AUTHORITY; AUTHORIZING CERTAIN OFFICIALS OF THE AUTHORITY TO TAKE ACTIONS NECESSARY IN CONNECTION WITH THE IMPLEMENTATION OF THE BOND OR MCC PROGRAM; PROVIDING CERTAIN OTHER FINDINGS AND DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Legislature of the State of Florida (the "State") has enacted the Florida Housing Finance Authority Law, Part IV, Chapter 159, Florida Statutes, as amended (the "Act"), pursuant to which the State has empowered each county in the State to create by ordinance a separate public body corporate and politic to be known as a housing finance authority of the county for the purpose of alleviating a shortage of housing and capital for investment in housing in the area of operation (which may include, as permitted by the Act, other areas of the State) of such housing finance authority; and

WHEREAS, pursuant to the Act, the Board of County Commissioners of Brevard County, Florida (the "County Commission") enacted Ordinance No. 79-09, as amended by Ordinance No. 84-16 (the "Ordinance") creating the Brevard County Housing Finance Authority (the "Authority"); and

WHEREAS, the Authority is authorized by the Act to borrow money through the issuance of bonds to assist in the financing of single family housing, or, in lieu of issuing qualified mortgage bonds, to issue mortgage credit certificates to qualifying individuals; and

WHEREAS, the Authority desires to consider initiating action in connection with the proposed issuance of single family mortgage revenue bonds to finance homes for qualified individuals and families (the "Bond Program"); and

WHEREAS, pursuant to Section 25 of the Internal Revenue Code of 1986, as amended, (the "Code") the Authority may make an election to issue mortgage credit certificates in lieu of the issuance of single family mortgage revenue bonds; and

WHEREAS, in furtherance of the purposes of the Act, the Authority desires to implement in the alternative a mortgage credit certificate program (the "MCC Program") to assist persons of low and moderate income in Brevard County, Florida (the "County") and other participating counties to afford the cost of acquiring and owning decent, safe and sanitary housing within the County and such other participating counties; and

WHEREAS, in connection with the MCC Program, the Authority desires to elect pursuant to Section 25 of the Code and Section 159.8075, Florida Statutes, to exchange up to \$40,000,000 of single family private activity bond allocation for the authority to issue its Mortgage Credit Certificates (the "MCCs") with a maximum aggregate total amount of up to \$10,000,000; and

WHEREAS, in order to enhance the efficiency of the Bond Program and/or MCC Program, the Authority desires to approve the use of the Authority's funds to finance the purchase of mortgage-backed securities backed by first mortgage loans originated in connection with the Bond Program and/or MCC Program, either directly by the Authority or through the use of a warehousing arrangement; and

WHEREAS, in order to further enhance the Bond Program and/or MCC Program, the Authority desires to provide down payment assistance in the form of third mortgage loans in connection with first and second mortgage loans originated through the Bond Program and/or MCC Program; and

NOW, THEREFORE, BE IT RESOLVED BY THE BREVARD COUNTY HOUSING FINANCE AUTHORITY as follows:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to the provisions of the Act, the Ordinance and other applicable provisions of law.

SECTION 2. FINDINGS. The Authority has found and determined and does hereby declare that:

A. Based upon existing and anticipated market and economic conditions and the knowledge of the members of the Authority of the housing industry and conditions in the County, it is in the best interests of the Authority and the residents of the County and serves a valid public purpose for the Authority to implement the Bond Program and/or the MCC Program and issue bonds and/or MCCs pursuant thereto.

B. The implementation of the Bond Program and/or the MCC Program and the issuance of bonds and/or MCCs pursuant thereto are necessary and in the best interests of the Authority and the residents of the County and will assist in alleviating a shortage of housing at prices which persons or families of moderate, middle and low income can afford and the shortage of capital available for investment therein.

C. The Authority hereby authorizes notice of the intent of the Authority to establish a mortgage credit certificate program to be published in a newspaper of general circulation in the County pursuant to Section 25(e)(5) of the Code, in the form attached hereto as Exhibit A.

D. The Authority hereby ratifies the notice of public hearing attached hereto as Exhibit B and accepts the affidavit of publishing thereof attached hereto as Exhibit C in terms of the required hearing with respect to such issuance.

SECTION 3. IMPLEMENTATION OF PROGRAMS.

A. The Authority hereby determines to apply for private activity bond allocation in the amount of up to \$40,000,000 to proceed with a Bond Program or MCC Program.

B. In order to preserve the ability to implement the MCC Program, the Authority hereby determines to elect not to issue up to \$40,000,000 of qualified mortgage bonds for which it has received a private activity bond volume cap allocation and to thereby convert such single family private activity bond allocation up to \$10,000,000 of mortgage credit certificate authorization. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to make all filings, declarations and notices as may be necessary or appropriate to make or implement such election on behalf of the Authority, and to publish the required notice of the proposed MCC Program.

SECTION 4. AUTHORIZATIONS. The Chairman, Vice Chairman, Secretary-Treasurer, each Assistant Secretary-Treasurer and counsel to the Authority, and such other officers, agents and employees of the Authority as may be designated by the Chairman are each designated as agents of the Authority in connection with the implementation of the Bond Program and/or MCC Program as authorized and contemplated hereby and are authorized and empowered, collectively or individually, to take all actions and steps to advance the intent of this Resolution in connection therewith, subject to fiscal approval by the Authority of any such program.

SECTION 5. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

APPROVED AND ADOPTED by the Brevard Housing Finance Authority this 23rd day of September, 2020.

**BREVARD COUNTY HOUSING
FINANCE AUTHORITY**

By: _____
Chairman

ATTEST:

Secretary-Treasurer

EXHIBIT A

**BREVARD COUNTY HOUSING FINANCE AUTHORITY
SINGLE FAMILY MORTGAGE CREDIT CERTIFICATE PROGRAM
AVAILABLE TO RESIDENTS OF BREVARD COUNTY**

The Brevard County Housing Finance Authority (the "Issuer"), hereby announces the continuation of its program to reduce home loan financing costs within Brevard County, Florida. The Issuer has established a mortgage credit certificate program which will entitle first-time homebuyers to a federal income tax credit (the "Program"). A tax credit is a direct reduction of taxes due. Under the Program, homebuyers would receive a mortgage credit certificate entitling such homebuyers to reduce their taxes by ten percent (10%) to fifty percent (50%) (such percentage to be determined by the Issuer) of the amount of interest paid on their home loan (not to exceed \$2000 per year if the credit percentage exceeds 20%). The tax credit is available each year that the borrower continues to live in the home financed under the Program.

In order to qualify for the Program, federal law requires that a homebuyer satisfy each of the following guidelines:

1. *Principal Residence.* The homebuyer must occupy the home financed under the Program as his/her principal residence within a reasonable period, not to exceed 60 days, after the financing is provided. A principal residence is a home occupied primarily for residential purposes. A principal residence does not include a home used as an investment property, as a recreation home or a home 15 percent or more of the total area of which is used in a trade or business.

2. *First-Time Homebuyer.* Each homebuyer must be a first-time homebuyer. Any person who has not owned his/her principal residence at any time during the three years prior to closing a loan financed in connection with the Program is considered a first-time homebuyer. This requirement does not apply to loans in certain areas designated as targeted areas (collectively, the "Targeted Area").

3. *Purchase Price.* Under the Program, the purchase price for residences may not exceed 90 percent (110 percent with respect to residences located in Targeted Areas) of the average area purchase price applicable to the residence. For this purpose, the "average area purchase price" is based upon the average purchase price of single family residences determined pursuant to applicable federal law with respect to both new and existing one, two, three and four unit residences. The current maximum purchase prices for homes in Brevard County under the Program are as follows:

<u>New and Existing Homes</u>	
<u>Non-Targeted Areas</u>	<u>Targeted Areas</u>
\$294,601	\$360,067

These limitations are subject to adjustment periodically.

4. *New Mortgage.* The mortgage loan financed in connection with the Program is required to be a new mortgage loan and may not replace a prior mortgage loan on the home (whether or not previously repaid).

5. *Income.* Under the Program, the maximum family income for households may not exceed 115 percent (140 percent with respect to residences located in Targeted Areas) of the applicable median family income. For a family of 2 or fewer persons, the maximum family income may not exceed 100 percent (120 percent with respect to residences located in Targeted Areas) of the applicable median family income. The current limits on annual gross income for households in Brevard County under the Program are as follows:

<u>Non-Targeted Areas</u>		<u>Targeted Areas</u>	
Families of		Families of	
<u>2 or Less</u>	<u>3 or More</u>	<u>2 or Less</u>	<u>3 or More</u>
\$69,480	\$79,902	\$83,376	\$97,272

These limitations are subject to adjustment periodically. Gross income includes salary and wages, including overtime, as well as dividends, alimony, public assistance, social security, unemployment compensation and investment income.

6. *One- to Four-Family Home.* The residence financed in connection with the Program must be a one- to four-family residence. A one-family residence includes a detached home, one unit of a duplex, a townhouse or a condominium unit. Manufactured housing or mobile homes qualify only if the unit has at least 400 square feet of living space, if it is more than 102 inches wide and if it is of a kind customarily used at a fixed location. If the residence is a two- to four-family residence, one unit of the residence must be the principal residence of the owner of the units and (with limited exceptions) the residence must have been first occupied for residential purposes at least five years prior to closing the loan financed in connection with the Program. Land adjoining the home is considered part of the home only if it maintains the home's livability and is not, other than incidentally, a source of income to the owner.

7. *Program Area.* In order to be eligible for a certificate, the home financed in connection with the Program must be located in Brevard County.

Under the Program, mortgage credit certificates will be issued to eligible borrowers on a first-come, first-served basis. The certificates are available in connection with any type of mortgage loan (except loans from tax-exempt bond programs), including fixed rate and adjustable rate mortgages. Any lending institution is eligible to provide mortgage loans in connection with the Program.

This notice contains only a summary of the requirements under the Program. Applications and more detailing information about the Program are available at the address listed below.

eHousingPlus
3050 Universal Boulevard, Suite 190
Weston, Florida 33331
Attention: Sue Denihan
Phone: (813) 579-6293
email: sue@ehousing.cc

EXHIBIT B

FORM OF NOTICE OF PUBLIC HEARING

For the purpose of Section 147(b) of the Internal Revenue Code of 1986, as amended, notice is hereby given that a public hearing will be held on behalf of the Brevard County Housing Finance Authority by a virtual meeting with respect to the issuance of single family housing revenue bonds in the amount of \$40,000,000 issued by the Brevard County Housing Finance Authority, or in the alternative mortgage credit certificates in the amount of \$10,000,000. The public hearing is scheduled for 4:00 p.m. on September 23, 2020.

The proceeds of such bonds or such credit certificates will be used to finance and provide capital for investment and/or to fund or assist in the purchase of mortgage loans to qualified homebuyers of low, moderate or middle income for the construction, purchase or rehabilitation of owner-occupied single family residences located within Brevard County.

The bonds or credits will not constitute a debt of the State of Florida or Brevard County, but will be payable solely from the housing program.

If any member of the general public wishes to be heard at the hearing he or she may do so by calling 1-866-569-3761; Passcode 8537016177 at the time set forth above or by submitting their views in writing delivered at least 24 hours prior to the date and time of the meeting set forth above to Angela Abbott, Esq. at angelaabbott@cfl.rr.com.

The purpose of the public hearing is to afford members of the general public an opportunity to be heard with respect to the proposed issuance of the bonds or credit certificates by the Authority.

All interested parties are invited to present their comments at the time and place set forth above.

IF ANY PERSON WISHES TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO ANY MATTER CONSIDERED AT THIS HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS MADE.

BREVARD COUNTY HOUSING FINANCE
AUTHORITY

EXHIBIT C

NOTICE AFFIDAVIT

I, Angela A. Abbott, Esquire, attorney for the Brevard County Housing Finance Authority (the "Authority") do hereby affirm that the documents attached hereto as Schedule 1 and Schedule 2 represent (a) a screen shot showing notice of the Authority's TEFRA public hearing scheduled for September 23, 2020, which notice was placed on the Authority's website on September 13, 2020, and (b) a screen shot showing said notice of public hearing as displayed on the Brevard County calendar of events as of September 14, 2020.

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd day of September, 2020.

Angela A. Abbott, Esq.

Posted to HFA website 9-13-20 at 2:29 p.m.



Brevard County Housing Finance Authority

Home Ownership Program

First Mortgage Loan Program

If you have ever dreamed about home ownership but felt that buying a home was a little beyond your reach, the Brevard County Housing Finance Authority (the Authority) may make your dream easier to attain with the Home Ownership Program. The Authority currently offers a 30 year, fixed rate mortgage (actual APR to be disclosed by the lender) with down payment and closing cost assistance in the amount of up to \$7,500 in the form of a 0% second mortgage. In addition, the borrower may receive a mortgage certificate of up to \$2,000 per year for the life of the loan.

How does the program work?

The program offers a borrower a 30-year, fixed rate, fully amortizing first mortgage loan. There is a 1.0% origination fee.

Down Payment and Closing Cost Assistance

Assistance is available in the form of a second mortgage of up to \$7,500. The second mortgage is a 30-year deferred, 0% loan that may be used for down payment and/or closing costs. It is never forgiven and it is repayable at 30 years or sooner if the property ceases to be the borrower's principal residence, is sold, refinanced or rented.

Mortgage Credit Certificate (MCC)

The Authority will issue an MCC to qualified borrowers which gives the borrower the ability to deduct 50% of their annual mortgage interest up to \$2,000 as a tax credit while the other 50% remains a deduction. This tax credit is available for as long as the borrower owns the home and the first mortgage is outstanding.

Click to learn more about Mortgage Credit Certificate (MCC)

What kind of home may I purchase?

You may purchase a new or existing single family home (attached or detached) a condo, town home or PUD anywhere in Brevard County, Florida.

Who qualifies?

- Buyers must be first-time home buyers (have not had an ownership interest in their primary residence for the past three years). This requirement is waived for qualified military veterans.
- Buyer must have a minimum FICO score of 640, and meet other standard credit requirements.
- Non-Target Area: There are household income limits:
 - 1-2 Person Household Income Limit = \$69,480
 - 3 or More Person Household Income Limits = \$79,902
- Target Area:
 - 1-2 Person Household Income Limit = \$83,376
 - 3 or More Person Household Income Limits = \$97,272
- The purchase price of the home may not exceed \$294,601 in a non-target area or \$360,067 in a target area.

What are the steps in the process?

Contact a participating lender (below) so they may pre-qualify you for a loan. The lender will determine your eligibility for a loan and notify you. You will also be required to provide the lender with other information necessary. The funds are available on a first-come first-served basis.

What is Recapture Tax?

The benefits provided by this loan are considered a federal subsidy of your mortgage loan. Federal law requires a recapture of some of the benefit if all three of the following are true: 1. The property ceases to be your primary residence during the first full 9 years of ownership; 2. You make a net profit on the sale of the home; 3. Your household income exceeds the allowable income at the time of the sale. Your tax preparer can assist you with determining if you owe recapture tax.

Target Areas:

If a borrower purchases a home in a target area, the borrower's income may be higher, the purchase price limit may be higher and the first time homebuyer requirement is waived. There are four federally designated target areas in Brevard County. They are census tracts 607, 623.01, 626 and 649.02. Census tract 607 is located in Titusville. It is an irregularly shaped tract that is bordered on the west by Norwood Avenue, Park Avenue, Barna Avenue and Elizabeth Avenue, on the south by Whispering Hills Road, Day Street and Sycamore Street, on the east by the Florida East Coast Railroad and S. Deleon Avenue and on the north by North Washington Avenue. Census tract 623.01 is located in Cocoa. It is an irregularly shaped tract that is bordered on the north by Dixon Blvd., on west by Clearlake Road, on the south by School Street and on the east by the Florida East Coast Railroad. Census tract 626 is located in Cocoa. It is an irregularly shaped tract that is bordered on the north by School Street, on the west by Clearlake Road, on the south by Rosa L. Jones Boulevard, and on the east by the Florida East Coast Railroad. Census tract 649.02 is located in Melbourne. It is an irregularly shaped tract that is bordered on the north by New Haven Avenue, on the west by Babcock Street, on the south by University Boulevard, and on the east by the Indian River.

Participating Lenders

[Click here for a list of Participating Lenders](#)

NOTICE OF VIRTUAL PUBLIC MEETING

NOTICE IS HEREBY GIVEN that the Brevard County Housing Finance Authority (the "Authority") will hold a virtual (telephonic) meeting on Wednesday, September 23, 2020, at 4:00 p.m. to discuss matters of the Authority as it deems appropriate. All interested parties are invited to attend by conference call by dialing 1-866-569-3761; passcode 8537016177.

Persons are advised that, if they decide to appeal any decision made at this meeting, they will need a record of the proceedings, and for such purposes they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

According to requirements of the American Disability Act (ADA), organizations using library meeting rooms may be required to provide special accommodations for those citizens requesting assistance within 48 hours of the scheduled meeting time. The needs of hearing or visually impaired persons, or those requiring special arrangements, shall be met if the Authority is contacted at least 48 hours prior to the public meeting by any person requiring assistance.

For further information contact Angela A. Abbott, Attorney for the Authority, 4420 South Washington Avenue, Titusville, FL 32780 (321) 264-0334.

BREVARD COUNTY HOUSING FINANCE AUTHORITY

NOTICE OF PUBLIC HEARING

For the purpose of Section 147(b) of the Internal Revenue Code of 1986, as amended, notice is hereby given that a public hearing will be held on behalf of the Brevard County Housing Finance Authority by a virtual meeting with respect to the issuance of single family housing revenue bonds in the amount of \$40,000,000 issued by the Brevard County Housing Finance Authority, or in the alternative mortgage credit certificates in the amount of \$10,000,000. The public hearing is scheduled for 4:00 p.m. on September 23, 2020.

The proceeds of such bonds or such credit certificates will be used to finance and provide capital for investment and/or to fund or assist in the purchase of mortgage loans to qualified homebuyers of low, moderate or middle income for the construction, purchase or rehabilitation of owner-occupied single family residences located within Brevard County.

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The purpose of the public hearing is to afford members of the general public an opportunity to be heard with respect to the proposed issuance of the bonds or credit certificates by the Authority.

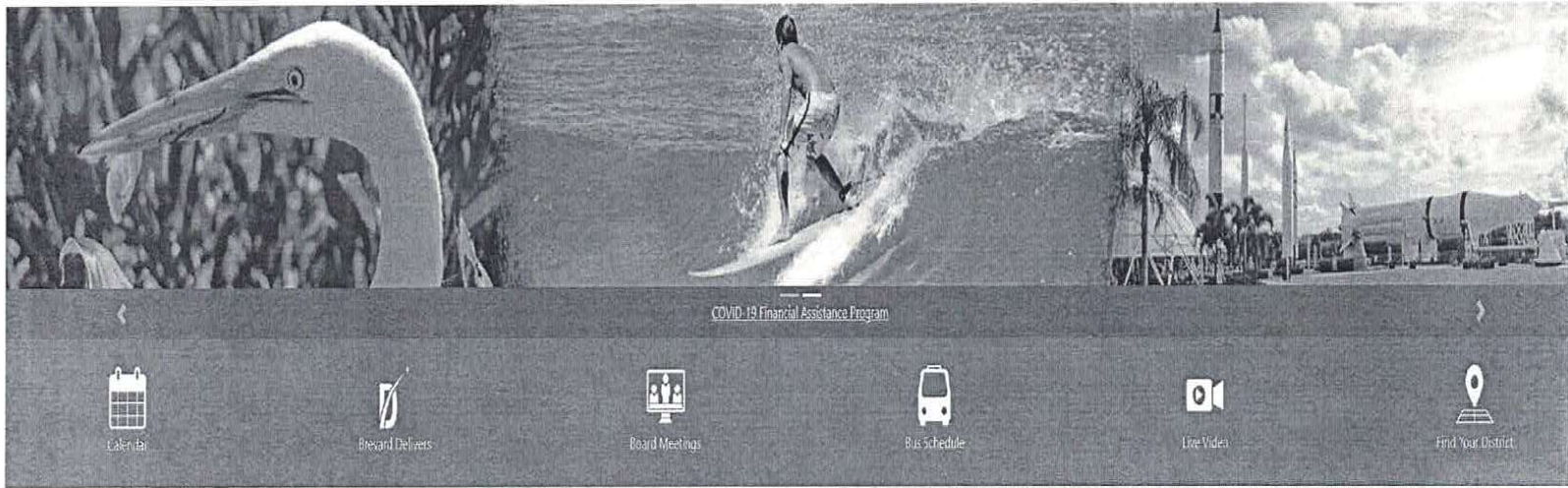
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BREVARD COUNTY HOUSING FINANCE AUTHORITY

Funding Availability

[Click to download the 2019 Mini-Application](#)



Notice of Public Hearing/ Brevard County Housing Finance Authority

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BREVARD COUNTY HOUSING FINANCE AUTHORITY



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson Way Viera, FL 32940,
 711 FLORIDA RELAY
 (800)-955-8771

Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

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Posted to Brevard County website

9/14/20 at 3:13 p.m.