

Memorandum



Date: December 1, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution Approving the issuance of Single-Family Mortgage Revenue Bonds by the Housing Finance Authority in an aggregate amount not to exceed \$25,000,000

Agenda Item No. 10(A)(4)

Recommendation

The attached Resolution is being placed on the agenda for consideration by the Board of County Commissioners (BCC) at the request of the Housing Finance Authority of Miami-Dade County (Authority).

This item authorizes the Authority's issuance of Single-Family Mortgage Revenue Bonds (Bonds) in an aggregate principal amount not to exceed \$25 million under the New Issue Bond Program (NIBP).

Scope

The service impact of the Authority is countywide; however, only first-time home buyers of low-, moderate-, and middle-income are eligible to participate under the Authority's program.

Funding Impact/Funding Source

Neither Miami-Dade County nor the Authority has any liability with respect to the repayment of the Bonds. The home buyer is responsible for repayment of their respective mortgage, which will be used to repay the Bonds.

The cost to issue the bonds will be covered from housing fees and charges generated by the HFA.

Track Record/Monitoring

The Authority, through a contract with a loan servicer and a trustee, will monitor the loans.

Background

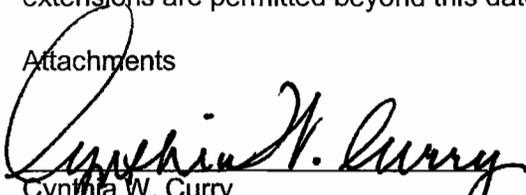
On October 21, 2009, the US Department of Treasury (Treasury) announced the NIBP. Subsequently, on November 13, 2009, the Authority was notified by the Treasury that it had received an allocation to participate in the NIBP. On November 16, 2009, the Authority Board met and approved participation in the NIBP.

The NIBP is being implemented under the provisions of the Housing and Economic Recovery Act of 2008, which allows the Treasury to purchase bonds at below market interest rates through Fannie Mae and Freddie Mac. The Authority will use its \$18 million allocation for the single-family NIBP program and will transfer an additional \$7 million made available by the Treasury for this initiative.

The NIBP will provide temporary financing for nationwide Housing Finance Authorities to issue new housing bonds to fund new mortgages. This program will provide affordable mortgages for working families.

All documents must be approved and submitted to the US Department of Treasury by December 8, 2009. No extensions are permitted beyond this date.

Attachments


Cynthia W. Curry
Senior Advisor to the County Manager

Memorandum



Date: December 1, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County
Commissioners

From: Don L. Horn 
Chairman, Housing Finance Authority

Through: George M. Burgess
County Manager

Subject: Resolution Approving the issuance of Single Family Mortgage Revenue Bonds
by the Miami-Dade County Housing Finance Authority in an aggregate amount
not to exceed \$25,000,000

RECOMMENDATION

It is respectfully recommended that the Board of County Commissioners ratify and approve the authorization relative to the proposed issuance by the Housing Finance Authority of Miami-Dade County (the "Authority") of Single Family Mortgage Revenue Bonds in an aggregate principal amount not to exceed \$25,000,000.

BACKGROUND

The US Treasury together with the Federal Housing Finance Agency, Fannie Mae and Freddie Mac, announced a new initiative to provide support to state and local housing finance agencies (HFAs). This initiative will help support low mortgage rates and expand resources for low and middle income borrower to purchase or rent homes that are affordable over the long term. HFAs have historically played a central role in providing a safe, sustainable path to homeownership for working families in all 50 states and many localities across the country. The New Issue Bond Program (NIBP) will provide temporary financing for HFAs to issue new housing bonds to fund new mortgages. This program will provide affordable mortgages for working families; be paid for by the HFAs-not taxpayers; incentivize HFAs to transition back to market sources of capital as quickly as possible; and maintain viability of HFAs to preserve an important role in providing housing resources.

The program was approved and announced on October 21, 2009 and the HFA was approved for an 18 million dollar allocation for the issuance of below market mortgages on November 13, 2009. The HFA board approved a resolution on November 16, 2009 at its regular board meeting which would allow us to apply for the allocation.

All costs associated with the issuance of the Single Family Mortgage Revenue Bonds will be paid solely from bond proceeds and/or from Authority funds. The County has no obligation financial or otherwise with respect to such bonds.



MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss **DATE:** December 1, 2009
and Members, Board of County Commissioners

FROM: R. A. Cuevas, Jr. **SUBJECT:** Agenda Item No. 10(A)(4)
County Attorney

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor

Agenda Item No. 10(A)(4)

Veto _____

12-1-09

Override _____

RESOLUTION NO

RESOLUTION APPROVING THE ISSUANCE BY THE HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY (FLORIDA) OF ITS HOME OWNERSHIP MORTGAGE REVENUE BONDS (SPECIAL PROGRAM) IN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000, TO BE ISSUED IN VARIOUS SERIES FROM TIME TO TIME, FOR PURPOSE OF PROVIDING FOR ORIGINATION OR PURCHASE OF OBLIGATIONS SECURED BY MORTGAGE LOANS MADE TO ELIGIBLE PERSONS OR FAMILIES FOR FINANCING THE PURCHASE OF EXISTING, NEWLY CONSTRUCTED OR SUBSTANTIALLY REHABILITATED HOMES; AND PAYING FOR CERTAIN OTHER RELATED COSTS; APPROVING EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION WITH ISSUANCE OF SUCH BONDS AND CERTAIN OTHER RELATED MATTERS

WHEREAS, the Board of County Commissioners ("the Board") adopted Resolution No. R-1194-78 on October 17, 1978, declaring the need for a housing finance authority to function in Dade County and enacted Ordinance No. 78-89 on December 12, 1978, creating the Housing Finance Authority of Dade County (Florida), now called The Housing Finance Authority of Miami-Dade County (Florida) (the "Authority"); and

WHEREAS, by Ordinance No. 78-89, the Authority is empowered to issue its revenue Bonds for the purposes of providing residential housing to be occupied by persons or families of low, moderate and middle income pursuant to Chapter 159, Part IV, Florida Statutes, as amended; and

WHEREAS, the Authority has determined to participate in the New Issue Bond Program ("NIBP") authorized by the U.S. Department of Treasury ("Treasury"); and

WHEREAS, by Resolution (the "Authority Resolution"), the Authority has authorized the issuance of the Housing Finance Authority of Miami-Dade County (Florida) Home Ownership Mortgage Revenue Bonds (Special Program), in an aggregate principal amount not to exceed \$25,000,000 (the "Special Program Bonds"), as part of Treasury's NIBP, to be issued in various series, approved the form of Special Program Master Trust Indenture and various Series Supplemental Indentures of Trust and the use of existing forms of Master Mortgage Origination and Servicing Agreement, a Master Program Administration Agreement, the form of a Purchase Contract, a Continuing Disclosure Agreement and a Private Placement Memorandum (collectively, the "Bond Documents") to be executed by the Authority in connection with the issuance from time to time of various Series of Bonds and designated a trustee for the Bonds, a Master Servicer, Program Administration and Special Advisor in connection with the NIBP. The proceeds of the Special Program Bonds will be used to provide funds to finance a program to assist persons and families of low, moderate and middle income to afford the costs of acquiring and owning decent, safe and sanitary housing within Miami-Dade County (the "Special Program"); and

WHEREAS, the Board of County Commissioners concurs in the findings of the Housing Finance Authority of Miami-Dade County (Florida), that the Special Program will inure to the benefit of the citizens of Miami-Dade County, Florida; and

WHEREAS, the Authority has requested that the Board approve the issuance of the Special Program Bonds in various Series, and the form of the Bond Documents, upon the terms and conditions set forth in each,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The issuance by the Authority of the Special Program Bonds in various series from time to time, on the terms set forth in the Authority Resolution, is approved. The Authority Resolution and the forms of the Master Indenture of Trust and Supplemental Indenture of Trust, which are Exhibits to the Authority Resolution and are on file with the Clerk of the Board as composite Exhibit No. 1 to this Resolution, are approved.

Section 2. The use of the additional Bond Documents, in substantially the forms previously approved by the Authority for use with its open Master Indenture of Trust dated July 1, 1999 Program (the "Open Indenture Program") is hereby approved with all necessary modifications necessary and appropriate to permit the Authority to participate in the NIBP and the Special Program approved by the Authority in the manner provided for in the Authority Resolution.

Section 3. The Bond Documents and all other documents determined to be necessary in connection with the issuance of the Special Program Bonds, in various Series from time to time, or the refunding of all or a portion of bonds previously issued by the Authority, may be executed by the Chairman, Vice-Chairman, Secretary or any other officer or member of the Authority, in accordance with the terms of the Authority resolution.

Section 4. All resolutions or parts of such resolutions in conflict with the provisions of this Resolution are, to the extent of such conflict, superseded and repealed.

The foregoing resolution was offered by Commissioner _____, who moved for its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

- | | |
|----------------------|---------------------------------|
| | Dennis C. Moss, Chairman |
| | Jose "Pepe" Diaz, Vice-Chairman |
| Bruno A. Barreiro | Audrey M. Edmonson |
| Carlos A. Gimenez | Sally A. Heyman |
| Barbara J. Jordan | Joe A. Martinez |
| Dorrin D. Rolle | Natacha Seijas |
| Katy Sorenson | Rebeca Sosa |
| Sen. Javier D. Souto | |

Chairman thereupon declared the resolution duly passed and adopted this 1st day of December, 2009. This resolution shall be become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY THIS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency: 
Gerald T. Heffernan