

**RESOLUTION NO. 19-09**

**A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA (THE "AUTHORITY") AMENDING THE DOWN PAYMENT AND CLOSING COST ASSISTANCE PROGRAM (THE "DPA PROGRAM") FOR USE IN CONNECTION WITH THE LIVABLE MANATEE INCENTIVE PROGRAM; AMENDING THE PARAMETERS OF THE DPA PROGRAM; AUTHORIZING THE PROPER OFFICERS AND ADMINISTRATOR TO DO ALL THINGS NECESSARY IN CONNECTION WITH THE DPA PROGRAM; PROVIDING CERTAIN OTHER FINDINGS AND DETAILS WITH RESPECT TO THE MATTERS ADDRESSED IN THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Housing Finance Authority of Manatee County, Florida, a corporate body politic (the "Authority") was duly created pursuant to the Florida Housing Finance Authority Law, Part IV, Chapter 159, Florida Statutes as amended and supplemented, and Ordinance No. 79-6, as amended and supplemented enacted by the Board of County Commissioners of Manatee County, Florida (collectively, the "Act"), and is authorized thereunder to finance the purchase of single family mortgages to fulfill its public purpose of alleviating a shortage of housing available at prices which persons or families of low, moderate or middle income can afford, and a shortage of capital for investment in such housing; and

**WHEREAS**, the Board of County Commissioners of Manatee County, Florida has established the Livable Manatee Incentive Program ("Livable Manatee") to encourage the development of affordable housing in unincorporated areas of Manatee County, Florida (the "County"); and

**WHEREAS**, there was a dramatic reduction in the funding of the State Housing Initiative Partnership ("SHIP") Program for the fiscal year commencing July 1, 2018 through June 30, 2020, which will result in a shortage of funds available to the County for funding of affordable housing programs; and

**WHEREAS**, the Authority wants to partner with the County in providing funding for affordable housing; and

**WHEREAS**, in 2012, the Authority established a Down Payment Assistance loan program in connection with the RJ Turnkey loan program and created and funded a Down Payment Assistance custody trust with US Bank, National Association to fund the loans (the "DPA Trust") and

**WHEREAS**, the Authority is authorized to invest money in the DPA Trust in second mortgages to qualified homebuyers in Manatee County; and

**WHEREAS**, to alleviate the shortage of decent, safe and sanitary housing, and the shortage of funds to provide such housing, for persons or families of low, moderate or middle income within

the County, the Authority partnered with the County by authorizing and establishing a down payment and closing cost assistance loan program (the "DPA Program") whereby it will use funds from the DPA Trust to fund second mortgages for the payment of down payment and closing costs in conjunction with qualifying loans made to finance single family residences located in the Livable Manatee sites within the County intended for use as the permanent place of residence by persons or families of low, moderate or middle income (herein the "DPA Loans");

**WHEREAS**, the County has requested, and the Authority has agreed to, the expansion of the DPA Program to include the use of HOME funds and the purchase of single family residences located anywhere in unincorporated Manatee County; and

**WHEREAS**, the Authority also finds it necessary in connection with the aforementioned programs, to delegate certain responsibilities to the Authority's administrator.

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA as follows:**

Section 1. Authorization of DPA Program

The Authority hereby authorizes the establishment and implementation of the DPA Program to assist borrowers in paying required down payments and other closing costs. The down payments and closing costs shall be a loan secured by a second mortgage and promissory note in an amount not to exceed \$25,000.00 or such other maximum second mortgage amount as established under the RJ Turnkey Loan Program on real property located within the Livable Manatee sites and in unincorporated Manatee County, Florida (the "Second Mortgage Loan"). The Second Mortgage Loan shall be non-interest bearing, non-amortizing loans evidenced by a promissory note and secured by a second mortgage recorded in the land records of the County. Such Second Mortgage Loan shall be due upon sale, transfer of ownership or upon maturity or other extinguishment of the Mortgage Loan. The lender or closing agent for the first mortgage loan will originate the Second Mortgage Loan with documents prepared by the Authority's attorney/administrator.

Section 2. Funding and Term of DPA Program

The DPA Program shall be funded in the initial amount of \$100,000.00 from moneys on deposit in the Authority's DPA Trust. The DPA Program loans will be available on a first come, first served basis to qualifying borrowers as defined in Section 3 of this Resolution, commencing July 1, 2018 through June 30, 2020. If there are any unoriginated funds remaining in the DPA Program at the end of the term, the Authority may elect to extend the funding and term of the DPA Program, if there is a reduction in SHIP funding for the fiscal year commencing July 1, 2020 through June 30, 2021.

Section 3. Qualifying Borrowers

Borrowers under the DPA Program shall meet the income and purchase price limits of the Livable Manatee, SHIP or HOME programs, provided that such limits shall not exceed the maximum limits of the Authority's RJ Turnkey Loan Program. Further, the home and real

property securing the Second Mortgage Loan shall be located within the Livable Manatee sites or anywhere in unincorporated Manatee County AND the borrower may receive a SHIP or HOME loan secured by a subordinate mortgage to the County.

#### Section 4. Funding of Second Mortgage Loans and Documentation

Upon receipt of a properly executed certification by the Housing and Community Development Manager, Redevelopment and Economic Opportunity Department, Community Development Division, Manatee County, Florida, that the borrower qualifies for participation in the DPA Program, and upon receipt of a properly executed wire request form from the first mortgage lender or closing agent, then the Authority's Administrator shall be authorized to initiate the funding of the Second Mortgage Loan from the DPA Trust. The first mortgage lender or closing agent shall record the Second Mortgage and note in the public records of Manatee County, Florida and shall remit the original, recorded Second Mortgage and note to the Authority's Administrator.

#### Section 5. Further Actions

The Authority's Administrator, the Chairman, any Vice Chairman and Secretary of the Authority, attorneys, or other agents of the Authority are hereby authorized and directed to do all acts and things required of them by the provisions of this Resolution. Such further authorization provided in this Section 5 shall include, but not be limited to, effectuating the intent of, and accomplishing the benefits to be derived from implementing the DPA Program.

#### Section 6. Severability of Invalid Provisions

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions hereof, of this Resolution or any documents authorized and approved by this Resolution in connection with the DPA Program.

#### Section 7. Headings Not Part of this Resolution

Any headings preceding the texts of the several sections of this Resolution shall be solely for convenience of reference and shall not form a part of this Resolution, nor shall they affect its meaning, construction or effect.

#### Section 8. Resolution Effective

This Resolution shall take effect on October 8, 2019.

Adopted this 10<sup>th</sup> day of December, 2019.

HOUSING FINANCE AUTHORITY OF  
MANATEE COUNTY, FLORIDA

[SEAL]

By: \_\_\_\_\_  
Name: Hugh D. Miller  
Title: Chairman

ATTEST:

By: \_\_\_\_\_  
Name: Frank R. Dodson, III  
Title: Secretary