



MEMORANDUM

W.D. MORRIS
EXECUTIVE DIRECTOR

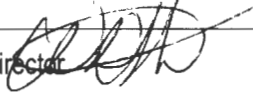
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| TO: | Mayor Jerry L. Demings -AND- County Commissioners |
| FROM: | W.D. Morris, Executive Director  |
| CONTACT: | Frantz Dutes, Director, Programs Operations Orange County Housing Finance Authority 407-894-0014, Ext. 806 |
| DATE: | October 20, 2021 |
| RE: | APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF MULTI-FAMILY HOUSING MORTGAGE REVENUE TAX EXEMPT BONDS, TO FINANCE THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF PARKWOOD APARTMENTS, A PROPOSED DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 6, IN AN AMOUNT NOT-TO-EXCEED \$44,100,000. ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING November 16, 2021 - CONSENT AGENDA. |

The Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") created a requirement that all industrial development bonds issued after December 31, 1982, for the purpose of financing multi-family housing developments require approval by the Orange County Housing Finance Authority (OCHFA), and each governmental unit having jurisdiction over the area in which the bond financed facility will be located.

BACKGROUND

At its meeting of October 6, 2021, the Authority's Board of Directors approved the inducement of a proposal for the Parkwood Apartments received under the 2021 Open Cycle Allocation Process. The proposal was submitted by Parkwood Plaza Apartments, Ltd; Lincoln Avenue Capital Management, LLC. The Open Cycle process allows developers to submit Multi-Family proposals for the Authority's consideration throughout the year, or as long as Volume Cap Allocation remains available. Subsequent to Board approval, staff will engage Professionals and proceed with the underwriting process. The Investment Banker/Placement Agent is RBC Capital Markets and Trustee will be US Bank.

CURRENT

The community will offer one, two, three, and four bedroom units. The proposed development will be located at 3255 W. Colonial Dr., Orlando, FL., Orange County, District 6. This proposed development will set-aside 100% of the units for families that earn 60% or less of the Area Median Income (AMI). The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of \$44,100,000. The bonds will be a Private Placement via a direct purchase securitization of the bonds by Citibank. The structure involves tax-exempt bonds in the amount of an estimated \$44,100,000, with 4% Tax-Credits of approximately \$31,500,000. This structure also includes a Capital Contribution of approximately \$850,000, with a Deferred Developer Fee estimated at \$7,385,000.

The debt coverage ratio for the development is 1.15, which meets the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

PROJECT DESCRIPTION

The proposal is for new construction of a 324-unit community consisting of 18 1-bd/1-ba; 150 2-bd/2-ba; 132 3-bd/2-ba; and 24 4-bd/2-ba units, with rents ranging from \$793 – \$1,208 per month.

The following information is provided as required by the County's Debt Issuance Policy.

OCHFA will produce an Official Statement and related offering documents for this bond issue.

- Attachment A Project Description and Location Map
- Attachment B Related Financials
- Attachment C Proforma
- Attachment D Financial Advisor's Summary of Sales Method
- Attachment E OCHFA Board meeting Staff Report of 10/06/2021
- Attachment F Proof of Publication of TEFRA Public Hearing Notice
- Attachment G TEFRA Public Hearing Minutes

The TEFRA public hearing was held on Tuesday, October 19, 2021 at 10:45 A.M., at the Orange County Administration Bldg., 3rd Floor, Conference Room Legal 'A', 201 S. Rosalind Avenue, Orlando, FL. The results of the Public Hearing are included as Attachment G.

ACTION REQUESTED

Approval and execution of Resolution for the issuance of Multi-Family Housing Mortgage Revenue Tax Exempt Bonds, to finance the acquisition, construction, and equipping of Parkwood Apartments, a proposed development in Orange County, Florida, District 6, in an amount not-to-exceed \$44,100,000.

Attachments