

BCC Mtg. Date: August 06, 2019

2019 - B-03
RESOLUTION

WHEREAS, the **ORANGE COUNTY HOUSING FINANCE AUTHORITY** (the “Authority”) was created pursuant to Ordinance 78-18, codified in the Code of Orange County at Section 2-151 *et seq*; and

WHEREAS, the Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) has created a requirement that all industrial development bonds issued after December 31, 1982, for the purpose of financing multifamily housing developments require approval by the Authority, and each governmental unit having jurisdiction over the area in which the bond financed facility is located; and

WHEREAS, such approval is to be given after a public hearing for which reasonable notice has been given; and

WHEREAS, the Authority is contemplating the issuance of up to \$17,000,000 in one or more series of Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, Series [to be designated] (Baptist Terrace) (the “Bonds”), the proceeds of which would finance the acquisition, construction, rehabilitation and equipping of a residential rental project to be owned by 414 East Pine Street, LP, a Florida limited partnership, an affiliate of the Orlando Neighborhood Improvement Corporation, for persons of low, middle and moderate income (the “Project”).

PROJECT/LOCATION

NUMBER OF UNITS

Baptist Terrace

197

414 E. Pine Street

Orlando, Orange County

Florida, 32801

WHEREAS, a public hearing was held at 10:00 A.M. on Tuesday, July 9, 2019, with regard to financing this qualified housing development, at the place and time described in the Notice of Public Hearing attached hereto as Exhibit A, which Notice was published at least 14 days in advance of the hearing date in a newspaper of general circulation in Orange County; and

WHEREAS, the Authority has presented the issue in the aggregate principal amount set forth above for approval to the Board of County Commissioners of Orange County;

THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY:

SECTION 1. Authority. This Resolution is adopted pursuant to the Constitution of the State of Florida, Chapters 125 and 166, Florida Statutes, and other applicable provisions of law.

SECTION 2. Findings. The Board hereby finds, determines and declares as follows:

The Board is the elected legislative body of Orange County and has jurisdiction over the Project located in Orlando, Orange County, Florida.

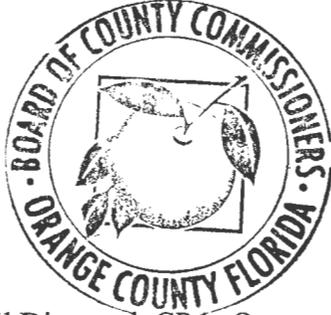
SECTION 3. Approval. For the purpose of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), the Board hereby approves the issuance of the Bonds to finance the Project, acknowledging, however, that the Bonds will not be issued until the Authority gives its final approval to the issuance of the Bonds.

SECTION 4. Limited Approval. The approval given herein shall be solely for the purpose of satisfying the requirements of Section 147(f) of the Code and shall not be construed as (i) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) approval of any rezoning application or approval or acquiescence to the alteration of existing zoning or land use or approval for any regulatory permit relating to the Project, or creating any vested right with respect to any land use regulations, and the Board shall not be construed by virtue of its adoption of this Resolution to have made any such endorsement, finding or recommendation or to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard. Further, the approval by the Board of the issuance of the Bonds by the Authority shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the acquisition and construction of the Project, and the Authority shall so provide in the financing documents setting forth the details of the Bonds.

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SECTION 5. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED this 6th day of August, 2019.



Attest: Phil Diamond, CPA, Orange County Comptroller as Clerk of the Board of County Commissioners

By: 
Deputy Clerk

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

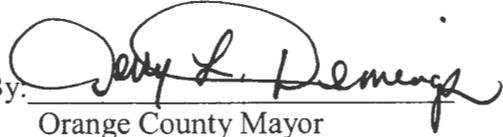
By: 
Orange County Mayor

EXHIBIT A
NOTICE OF PUBLIC HEARING
ORANGE COUNTY HOUSING FINANCE AUTHORITY
RESIDENTIAL RENTAL PROJECT

Notice is hereby given that the Orange County Housing Finance Authority (the “Authority”) will conduct a public hearing concerning the proposed issuance by the Authority of its not to exceed \$17,000,000 Multifamily Housing Revenue Bonds, Series [to be designated] (Baptist Terrace) (the “Bonds”). The proceeds of the Bonds would be used to finance the acquisition, construction, rehabilitation and equipping of the following residential rental project:

<u>PROJECT/LOCATION</u>	<u>DESCRIPTION OF PROJECT/NO. OF UNITS</u>	<u>OWNER</u>
<p style="text-align: center;">Baptist Terrace 414 E. Pine Street, Orlando, Orange County, Florida, 32801</p>	<p style="text-align: center;">197 units in a 14-story residential high-rise</p>	<p style="text-align: center;">414 East Pine Street, LP, a Florida limited partnership, an affiliate of the Orlando Neighborhood Improvement Corporation</p>

The public hearing will be held at the following time and location:

<u>TIME</u>	<u>LOCATION</u>
<p style="text-align: center;">10:00 A.M. Tuesday, July 9, 2019</p>	<p style="text-align: center;">Orange County Administration Center 3rd Floor, Conference Room Legal “A” 201 South Rosalind Avenue Orlando, Florida 32801</p>

Interested persons are invited to submit written comments or present oral comments at the hearing regarding the proposed issuance of the Bonds. Written comments should be received by the Authority on or before July 2, 2019. Oral comments will be limited to no more than 3 minutes per person. Written comments or notice of intent to present oral comments should be directed to:

Orange County Housing Finance Authority
 2211 E. Hillcrest Street
 Orlando, Florida 32803
 Attention: Executive Director

SECTION 286.0105, FLORIDA STATUTES, STATES THAT IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY A BOARD, AGENCY, OR COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT A MEETING OR HEARING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS, AND THAT, FOR SUCH PURPOSE, 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.

ATTACHMENT 'A'

**Project Description
and Location Map**

3. Detailed and accurate description of the proposed housing development, including property address, acreage, present zoning status, type of construction, number of units, unit bedroom mix, current rental rates (if appropriate), expected stabilized rental rates (specify any charges for premiums), and any amenities to be provided (include any charges for amenities).

Baptist Terrace is an existing, fully-occupied, Section 202 elderly housing development located at 414 E. Pine Street, Orlando, FL 32801. The Property is located on the south side of E. Pine Street at the southwest corner of the intersection of Pine Street and S. Osceola Avenue. The property is located north of S.R. 408, east of Rosalind Avenue, west of Summerlin Avenue and south of Central Boulevard in downtown Orlando. Baptist Terrace is identified by Orange County Property Appraiser's records as Tax Identification number: 25-22-29-0620-00-170. The property, zoned MXD-2/T (High Intensity Mixed Residential), is approximately 1.75 acres in size. According to the Orange County Property Appraiser's report the building contains 152,533 gross square feet and was constructed in 1969. The 14-story residential high-rise is comprised of 197 rental units. There are three unit types and they are broken down as follows:

- 106 – Efficiency Units (The Vista = 438 sq. ft.)
- 52 – One Bedroom Units (The Serenity = 620 sq. ft.)
- 39 – One Bedroom Units (The Summerlin = 656 sq. ft.)

The building is supported by a pile and pile cap system of undetermined depth and size. The exterior walls are CIP concrete and CMU. The exterior walls are clad in direct applied cement stucco. The superstructure includes CIP concrete columns and beams with precast concrete slabs and cast-in-place elevated slabs including the roof deck. Baptist Terrace is one of the Pre-1974 Section 202 Direct Loan Properties, which are the focus of a recent HUD preservation initiative. Current rental rates are \$451 (efficiency units), \$538 for the 620 SF one bedroom units and \$565 for the 656 SF one bedroom units. Upon acquisition the project will have a HAP (Housing Assistance Payment) contract and gross rents for the units will increase to HUD Fair Market Rents. The tenant portion of this rent will be determined by Section 8 regulations and is typically limited to 30% of a tenant's monthly adjusted income.

BAPTIST TERRACE APARTMENTS – 414 East Pine Street, Orlando, FL 32801



ELECTED OFFICIALS:

School Board Representative

State Representative

State Senate

US Representative

County Commissioner

Orange County Property Appraiser

Orlando City Commissioner

Karen Castor Dentel

Anna V. Eskamani

Linda Stewart

Stephanie Murphy

Emily Bonilla – District 5

Rick Singh

Patty Sheehan – District 4

ATTACHMENT 'B'

Related Financials

ENGAGEMENT LETTER

May 14, 2018

Robert Ansley FAICP
President
Orlando Neighborhood Improvement Corporation
101 South Terry Avenue
Orlando, Florida 32801

RE: Baptist Terrace Apartments
Orlando, Florida

Dear Bob:

This Engagement Letter describes and confirms the agreement between Rockport Mortgage Corporation, located in Gloucester, Massachusetts ("RMC"), and Orlando Neighborhood Improvement Corp. and/or its designated representative, as the purchaser of the Project described in Section I below ("Purchaser"), with respect to services rendered and to be rendered by RMC in connection with the financing of the Project.

In consideration of the advice and assistance to be provided by RMC and the mutual agreements contained herein, RMC and Purchaser hereby agree as follows:

I. Description of the Project.

The financing of Baptist Terrace Apartments, a 197-unit Section 8 property located in Orlando, Florida, pursuant to Section 223(f) of the National Housing Act (the "Project").

II. Description of the Loan.

RMC proposes to finance the Project contingent upon and subject to the terms of a HUD Commitment for Mortgage Insurance ("HUD Commitment") at the following terms:

- A. Mortgage Rate: The rate for the loan will be locked upon issuance of a HUD Commitment and subject to market conditions at the time of loan closing.
- B. Mortgage Amount: To be solely determined by HUD; the mortgage amount is currently estimated to be \$17.37M.

- C. Maturity: FHA-insured permanent mortgage of up to thirty-five (35) years.
- D. Use of Proceeds: To finance the acquisition of the Property by a new LIHTC Ownership entity, fund the reserves, complete repairs, and pay HUD permitted transaction and closing costs.

III. Description of Proposed Credit Enhancement.

The payment of principal and interest on the Loan shall be secured by a Mortgage Note evidencing a mortgage loan insured by the Federal Housing Administration (“FHA”) under the issuing provisions of Section 223(f) of the National Housing Act of 1934, as amended.

IV. Representations and Duties of Purchaser.

The Purchaser hereby represents and warrants that:

- A. Purchaser has retained RMC as its FHA Mortgagee to obtain a HUD Commitment for the Project, and as its exclusive agent to arrange FHA-insured financing for the Project.
- B. Purchaser will use its best efforts to satisfy the requirements of HUD in connection with the proposed financing of the Project, including promptly providing RMC with all information and documentation required to obtain the HUD Commitment and to close the loan.
- C. Purchaser will be responsible for payment of fees for Third Party Reports required by HUD (as described in subsection VI(C) below), as well as the HUD examination fee.
- D. Purchaser and its principals are eligible to participate in HUD/FHA financing programs and are not included in HUD’s Limited Denial of Participation List or Debarment List.

V. Services RMC Will Render

- A. It is hereby confirmed that RMC has been retained by Purchaser, and RMC has agreed to serve as Purchaser’s FHA Mortgagee to arrange a HUD Commitment. As FHA Mortgagee, RMC will assemble, review, and execute all applications for FHA mortgage insurance. RMC or its assigns will also perform mortgage servicing responsibilities.

- B. RMC will work in conjunction with Purchaser to process an application for FHA mortgage insurance through the Jacksonville HUD Office and to monitor the progress of the application.
- C. Upon issuance of the HUD Commitment, RMC will arrange financing for the project by placing the insured loan with an institutional investor at terms agreed to by Purchaser by written authorization. Such authorization will state the final interest rate and will require payment of a non-refundable good faith deposit equal to one-half-of-one-percent (.5%) of the HUD insured loan amount, said amount to be applied to Purchaser's cash requirements at loan closing.
- D. RMC and RMC's counsel will work with Purchaser and Purchaser's counsel to coordinate the closing (FHA Final Endorsement) of the mortgage loan.
- E. In connection with the proposed tax-exempt bond financing, RMC will assist the owner and other team participants with obtaining the tax-exempt bond and LIHTC allocations. These services include, but are not limited to, issuing commitment letters, participating in conference calls, and providing guidance and coordination with HUD and other parties' requirements as needed to close the contemplated transaction.

VI. Description of Financial Requirements and Fees.

- A. Financing Fees: For mortgagee/processing services to be rendered, Purchaser agrees to pay RMC a sum equal to 2.00% of the HUD-insured loan amount to compensate RMC for services rendered in connection with processing the HUD application and securing funding. Financing fees are deemed earned upon the loan closing date except as otherwise specified below.
- B. Legal Fees: Purchaser agrees to payment of legal fees incurred by RMC in connection with loan closing, such legal fees estimated to be \$20,000.
- C. Third Party Fees: Purchaser agrees to payment of all third party fees related to reports and/or documentation required by HUD. Such fees shall include, but not be limited to, fees for preparation and/or review of an appraisal, environmental review, survey, and capital needs/architectural and engineering assessment. Purchaser agrees that, in accordance with HUD requirements, RMC shall engage certain third parties directly. Purchaser shall, upon RMC's request, pay all third party fees to RMC prior to third party engagement by RMC.

VII. Financing Commitment.

RMC and Purchaser will enter into a Financing Commitment at the conclusion of the successful marketing of the loan, which Financing Commitment will, among other things, provide for the following:

- A. The interest rate on the 223(f) permanent loan.
- B. The amount(s) of cash and/or acceptable cash equivalents to be provided by Purchaser at the Closing, based upon the terms of purchase of the Loan and the HUD Commitment.
- C. That the financing structure - and all applicable documents prepared and submitted in connection therewith - comply with all FHA and HUD rules and regulations.

VIII. Miscellaneous.

- A. Purchaser represents and warrants that, except for RMC, it has not retained any broker or finder in respect of the placement of the FHA-insured financing, and has not contracted with any other person, firm, or entity to render services similar to those provided and to be provided by RMC under this Agreement.
- B. Unless otherwise agreed to in writing by the parties, this Engagement Letter and the terms and conditions agreed to herein shall terminate at the time of payment of the Financing Fee at FHA Final Endorsement.

If the foregoing correctly sets forth the agreement between RMC and Purchaser, please sign and return the enclosed copy of this Engagement Letter, whereupon it shall become a valid and binding agreement between RMC and Purchaser as of the date set forth below.

Sincerely,

ROCKPORT MORTGAGE CORPORATION

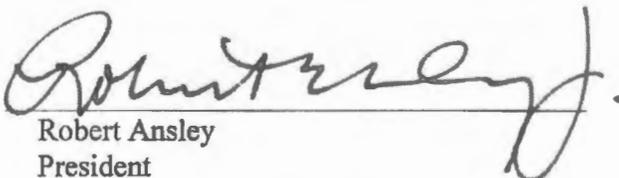


By: _____

Linda Pellegrino
Vice President

Accepted and agreed to this 22 day of May, 2018

ORLANDO NEIGHBORHOOD IMPROVEMENT CORPORATION

By:  _____
Robert Ansley
President

Project Name: **Baptist Terrace** Sources-Uses Surplus/(Gap): **0**

Cost Item	Total	Residential		Tax Treatment of Assets				Allocation of Depreciable Basis				Historic Credit Basis		OK ?			
		Cost Per Unit	Percent of Total	Depreciable	Non Depreciable	Amortized	Expensed	Residential		Commercial		Residential Historic Eligible %	Commercial 0.00%				
								Acquisition	Rehab / New Construction	Acquisition	Rehab / New Construction						
														Commercial %	0.00%	Commercial %	0.00%
														OK?		OK?	
A. ACQUISITION COSTS																	
Purchase Price: Land	3,500,000	17,766	10.3%		3,500,000												
Purchase Price: Buildings	12,250,000	62,183	36.2%	12,250,000				12,250,000									
Title Insurance, Recording, Closing Costs	-	-		-	-			-									
Acquisition Legal Fees	-	-		-	-			-									
Demolition: Razing of Buildings	-	-		-	-			-									
Holding Costs	-	-		-	-			-									
Other Acq (Specify):	-	-		-	-			-									
TOTAL ACQUISITION COSTS	\$15,750,000	79,949	48.6%	12,250,000	3,500,000	-	-	12,250,000	-	-	-	-	-	-	-		
B. CONSTRUCTION / REHABILITATION COSTS																	
Site Work: Off-Site/Non-Depreciable	-	-		-	-			-									
Site Work: On-Site Improvements-15 Year Property	69,601	353	0.2%	69,601				69,601									
Demolition: Interior	185,299	941	0.5%	185,299				185,299									
New Construction: Residential	-	-		-	-			-									
New Construction: Commercial	8,316,788	-		-	-			-									
Rehabilitation: Residential	6,068,126	30,793	17.9%	6,066,126				8,066,126									
Rehabilitation: Commercial	-	-		-	-			-									
General Requirements	401,218	2,037	1.2%	401,218				401,218									
Contractor Overhead	133,739	679	0.4%	133,739				133,739									
Contractor Profit	401,218	2,037	1.2%	401,218				401,218									
Payment & Performance Bond	60,480	307	0.2%	60,480				60,480									
Appliances	365,947	1,858	1.1%	365,947				365,947									
Furniture, Fixtures and Equipment	225,053	1,142	0.7%	225,053				225,053									
Other Constr. (specify):	-	-		-	-			-									
Other Constr. (specify):	-	-		-	-			-									
Contractors Contingency	-	-		-	-			-									
Construction Contingency	790,868	4,015	2.3%	790,868				790,868									
TOTAL CONSTRUCTION COSTS	\$8,699,549	44,160	25.7%	8,699,549	-	-	-	8,699,549	-	-	-	-	-	-	-		
C. PROFESSIONAL FEES & OTHER SOFT COSTS																	
Architect Design	100,000	508	0.3%	100,000				100,000									
Architect Supervision	20,000	102	0.1%	20,000				20,000									
Engineering	25,000	127	0.1%	25,000				25,000									
Geotechnical/Soils Engineering	-	-		-	-			-									
Environmental Site Assessment	7,500	38	0.0%	7,500				7,500									
Survey (Boundary/Topo/As-Built)	15,000	76	0.0%	15,000				15,000									
Building Permits	32,838	167	0.1%	32,838				32,838									
Utility Tap Fees	-	-		-	-			-									
Impact Fees	-	-		-	-			-									
Hazard & Liability Insurance (Construction Period)	83,976	426	0.2%	83,976				83,976									
Real Estate Taxes/ Fees - assume abatement, must validate	0	-		-	-			-									
Market Study	5,000	25	0.0%	5,000				5,000									
Appraisal	12,000	61	0.0%	12,000				12,000									
Accounting/Audit	10,000	51	0.0%	10,000				10,000									
Cost Certification	15,000	76	0.0%	15,000				15,000									
Legal Fees: Real Estate (Developer)	50,000	254	0.1%	50,000				50,000									
Development Consultant Fees	4,549,303	-		-	-			-									
Construction Management Fees	15.97%	-		-	-			-									
Developer Fees	4,036,155	20,488	11.9%	3,844,502	350,000	41,653		1,225,000	2,419,502								
Developer Overhead	-	-		-	-			-	-								
Soft Cost Contingency	-	-		-	-			-	-								
Other Soft Cost (specify): PCNA	10,000	51	0.0%	10,000				10,000									
Other Soft Cost (specify): P&A	1,000	5	0.0%	1,000				1,000									
Other Soft Cost (specify): Radon	7,500	38	0.0%	7,500				7,500									
Other Soft Cost (specify):	-	-		-	-			-									
TOTAL PROFESSIONAL FEES & OTHER SOFT COSTS	\$4,430,967	22,492	13.1%	4,039,314	350,000	41,653	-	1,225,000	2,814,314	-	-	-	-	-	-		
D. FINANCING COSTS																	
Construction Loan Only (CL)																	

Notes: Total Cost Land/Build 15,750,000 % Land = 22.2% x

Notes: 223f max 8,316,788 delta to budget 382,761

% Comm = 0.0%
 % Comm = 0.0%
 % Comm = 0.0%
 % Comm = 0.0%

% of Construction \$ 1.1%
 % of Construction \$ 0.2%

Developer Fee limited to 18% of TDC excluding land and OR. Consulting fees must be paid out of the Developer Fee

Max DF 4,549,303
 Current 15.97%

% of total less dev fee 13.55%
 % of total less dev fee 0.00%
 % of soft costs: 0.00%

Cost Item			Residential		Tax Treatment of Assets				Allocation of Depreciable Basis				Historic Credit Basis		OK ?
	Total	Cost Per Unit	Percent of Total	Depreciable	Non Depreciable	Amortized	Expensed	Residential	Commercial	Residential	Commercial	Residential	Commercial		
								Acquisition	Rehab / New Construction	Acquisition	Rehab / New Construction	Historic Basis %	0.00%	Historic Basis %	
Loan Points/Fees: CL	None			-	-										
Loan Inspections: CL	None			-	-										
Loan Title & Recording: CL	None	x		-	-										
Loan Legal (Bank): CL	None			-	-										
Loan Interest: CL	206 Election? No depreciable = 5%	1,312,750	6,664	3.9%	63,634		1,249,125		63,634						
Other Loan Cost:	223f and other soft costs				-				-						
Bridge/Interim Loan Costs					-				-						
Permanent Only or Construction/Perm (CL/PL)	% Depreciable														
Loan Points/Fees: CL/PL	Loan 1 - Rockport (HUD 223(f)) 3% x	362,726	1,841	1.1%	10,364		341,999		10,364						
Loan Inspections: CL/PL	None 0% x	126,954	644	0.4%	-		126,954		-						
Loan Mortgage Insurance (MIP)	Loan 1 - Rockport (HUD 223(f)) 100% x	45,341	230	0.1%	45,341		-		45,341						
Loan Title & Recording: CL/PL	Loan 1 - Rockport (HUD 223(f)) 3%	25,000	127	0.1%	714		23,571		714						
Loan Legal (Bank): CL/PL	None 0%				-		-		-						
Loan Interest: CL/PL	206 Election? No 0%				-		-		-						
Loan Legal (Developer)					-		-		-						
Cost of Issuance (Bonds)	80%	516,992	2,624	1.5%	413,594		66,627		413,594						
FHA Fees	0%				-		-		-						
Ginnie Mae Fees	0%				-		-		-						
Letter of Credit Fees	0%				-		-		-						
Credit Report	0%				-		-		-						
Negative Arbitrage	Reinvestment creates positive arbitrage	0			-		-		-						
Other Loan Cost:	Soft Lender Fee (HOME or SAIL?) 0%	25,000	127	0.1%	-		25,000		-						
Other Loan Cost:	Rockport Perm Placement Fee 0% x	634,771	3,222	1.9%	-		634,771		-						
TOTAL FINANCING COSTS		\$3,049,543	15,480	9.0%	533,646	-	1,240,922	1,274,974	533,646	-	-	-	-	-	-
E. TAX CREDIT & SYNDICATION COSTS															
Tax Credit Application and Allocation Fees		125,000	635	0.4%			125,000								
Tax Credit Monitoring Fees					-		-		-						
Legal/Organizational Fees (Developer)	% Amortized = 0%				-		-		-						
Legal Fees (Investor)	% Amortized = 50%	55,000	279	0.2%		27,500	27,500								
Tax Credit Consultant	% Amortized = 0%				-		-		-						
Other Syndication Costs: Inspections	% Amortized = 0%	30,000	152	0.1%		30,000									
TOTAL TAX CREDIT & SYNDICATION COSTS		\$210,000	1,068	0.6%	-	57,500	152,500	-	-	-	-	-	-	-	-
F. START-UP COSTS, RESERVES & ESCROWS															
Leasing/Marketing Expenses					-		-		-						
Tenant Relocation (Basis Eligible)		50,000	254	0.1%	50,000				50,000						
Tenant Relocation (Non Basis Eligible)	% Amortized = 0%	120,000	609	0.4%											
Escrows & Prepaids					-		-		-						
Rent Up Reserve					-		-		-						
Operating Reserves (Capitalized)	No. Months OpExp, RR, Must Pay 6.00	1,017,490	5,165	3.0%		1,017,490									
Replacement Reserve (Capitalized) - HUD Repair Escrow	x	500,000	2,538	1.5%		500,000									
Other Reserve:					-		-		-						
Other Reserve:					-		-		-						
TOTAL START UP COSTS, RESERVES & ESCROWS		\$1,667,490	8,566	5.0%	50,000	1,637,490	-	-	50,000	-	-	-	-	-	-
TOTAL USES OF FUNDS		\$33,827,549	171,713	100.0%	25,572,509	5,544,990	1,435,075	1,274,974	13,475,000	12,097,509	0	0	0	0	0

Sources and Uses Summary

Project ID# 37734

5/16/19 1:46 PM

Project Name: **Baptist Terrace**

Permanent Loan Sources						% of Total
Lender Name	Int. rate	Term	Amortization	Amount	Amount/Unit	Dev Cost
Rockport (HUD 223(f))	4.60%	35	35	18,136,300	92,062	54%
Gap Loan TBD	0.00%	35	35	4,375,947	22,213	13%
GP Loan	3.15%	35	35	500,000	2,538	1%
DDF	4.00%	15	15	2,219,885	11,268	7%
Seller Note	3.15%	35	35	0	0	0%
					0	
					0	
					0	
					0	
					0	
					0	
					0	
					0	

Notes:

Other Sources	Financing Source	Amount		
Cash flow during rehab	Other	247,382	1,256	1%
			0	
			0	
			0	
			0	
			0	
			0	
			0	
			0	

LIMITED PARTNER EQUITY	8,348,034	42,376	25%
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TOTAL SOURCES OF FUNDS:	33,827,549	171,713
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TOTAL USES OF FUNDS:	33,827,549	171,713
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FUNDING SURPLUS/<GAP>	(0)	(0)
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ATTACHMENT 'C'

Proforma

Rental Income Assumptions and Applicable Fraction

Project ID# 37734

5/16/19 1:46 PM

Notes: Section 8 Rents based on 2019 FMR; market rents estimated weighted average AMI: 59.1%

Project Name: Baptist Terrace

1,004
270
734

200
734

**Residential Rental Income Assumptions
Unit Information**

Unit Description	No. of BRs	No. of Baths	Average Unit Sq. Ft.	No. of Units	Tax Credit Unit Check If Yes	Rent Subsidy Check If Yes	Rent and Income Targeting					Affordability and Marketability Analysis					Total Annual Rental Income			
							Max. Tenant Income Limit (% AMI)	Max. Income Target for Rent (% AMI)	Utility Allowance	Maximum Contract Rent	Actual Contract Rent	Market Rents	Contract Rent % Below Market	Contract Rent per Sq. Foot	Maximum Tenant Rent Burden %	Minimum Tenant Income		Maximum Tenant Income	Gross Rent Affordability (% AMI)	Contract Rent % Below Max TC Rent
Studio 40% Income Avg	0	1.0	438	3	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	40%	40%	0	447	932	1,200	22%	\$2.13	40%	27,960	17,882	83%	-109%	33,552
Studio 60%	0	1.0	438	98	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	60%	60%	0	671	932	1,200	22%	\$2.13	40%	27,960	26,838	83%	-39%	1,086,032
Studio 70%	0	1.0	438	3	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	70%	70%	0	783	932	1,200	22%	\$2.13	40%	27,960	31,311	83%	-19%	33,552
1 BR 40%	1	1.0	620	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	40%	40%	0	479	1,004	1,350	26%	\$1.62	40%	30,120	19,170	84%	-110%	84,336
1 BR 40%	1	1.0	656	8	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	40%	40%	0	479	1,004	1,350	26%	\$1.53	40%	30,120	19,170	84%	-110%	96,384
1 BR 60%	1	1.0	620	37	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	60%	60%	0	719	1,004	1,350	26%	\$1.62	40%	30,120	28,755	84%	-40%	445,776
1 BR 60%	1	1.0	656	22	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	60%	60%	0	719	1,004	1,350	26%	\$1.53	40%	30,120	28,755	84%	-40%	285,056
1 BR 70%	1	1.0	620	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	70%	70%	0	839	1,004	1,350	26%	\$1.62	40%	30,120	33,548	84%	-20%	84,336
1 BR 70%	1	1.0	656	8	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	70%	70%	0	839	1,004	1,350	26%	\$1.53	40%	30,120	33,548	84%	-20%	96,384
1 BT 70%	1	1.0	656	8	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	70%	70%	0	839	1,004	1,350	26%	\$1.53	40%	30,120	33,548	84%	-20%	96,384
Studio - over income	0	1.0	438	2	<input type="checkbox"/>	<input type="checkbox"/>			0	-	1,000	1,200	17%	\$2.28	40%	30,000	-	89%		24,000
1 BR - over income	1	1.0	620	1	<input type="checkbox"/>	<input type="checkbox"/>			0	-	1,100	1,350	19%	\$1.77	40%	33,000	-	92%		13,200
1 BR - over income	1	1.0	656	1	<input type="checkbox"/>	<input type="checkbox"/>			0	-	1,300	1,350	19%	\$1.68	40%	33,000	-	92%		13,200
					<input type="checkbox"/>	<input type="checkbox"/>									40%	-	-	-	-	0
					<input type="checkbox"/>	<input type="checkbox"/>									40%	-	-	-	-	-
					<input type="checkbox"/>	<input type="checkbox"/>									40%	-	-	-	-	-
					<input type="checkbox"/>	<input type="checkbox"/>									40%	-	-	-	-	-
					<input type="checkbox"/>	<input type="checkbox"/>									40%	-	-	-	-	-
TOTAL RENTAL UNITS			104,282	197	193	193					\$967	\$1,268	24%	\$1.88				84%	-43%	2,285,808
Staff/Model Units																				-
TOTAL RESIDENTIAL UNITS			104,252	197		98.0%	% Subsidy Units					\$3,000,600								2,285,808

Commercial Rental Income Assumptions

Description	Square Feet	Rent per Sq. Ft.	Annual Rent
TOTAL	0		\$0
		% of GRP	0.0%

Other Income

Description	Dollars/Unit/Month	Monthly Other Income	Annual Other Income
Laundry (Dollars/Unit/Month)	\$10.00	1,970	23,640
Vending (Dollars/Unit/Month)	-	-	0
Other (Dollars/Unit/Month)	-	-	0
Other (Specify) :			0
Other (Specify) :			0
Other (Specify) :			0
TOTAL	\$10.00	\$1,970	\$23,640

Rent/Expense Escalation & Vacancy Assumptions

	Standard Cash Flow		DCRECR Test (CF 3&4 tab)	
	Residential	Commercial	Residential	Commercial
Projected Annual Rent Increase	2.0%	2.0%	3.0%	3.0%
Annual Rent Increase (Yr. 1-2 only)	2.0%	2.0%	3.0%	3.0%
Projected Annual Expense Increase	3.0%	3.0%	4.0%	4.0%
Annual Expense Increase (Yr. 1-2 only)	3.0%	3.0%	4.0%	4.0%
Projected Occupancy in Units	189	0		
Projected Total Vacancy Loss, Year 1	5.04%	20.0%	5.0%	20.0%
Projected Physical Vacancy Loss Yrs 2-16	4.04%	15.0%	4.0%	15.0%
Concessions /Bad Debt Allowance Yrs 2-16	1.0%	5.0%	1.0%	5.0%
Vacancy Years 2-16 (total)	5.0%	20.0%	5.0%	20.0%
Interest on Reserve Accounts	2.0%		2.0%	
Number of Months of Rent in Year 1	Calculated	3	Calculated	3
Number of Months of Expenses in Year 1	3	3	3	3

Calculation of Applicable Fraction (Low Income %)

	Calculated Residential Rent Units	
	Units	Sq. Ft.
Tax Credit Eligible Units	193	102,100
Non-tax Cr. Eligible Units	4	2,152
Total Res. Rental Units	197	104,252
Mgr. or Nonrental Units	0	0
Total Residential Units	197	104,252
Calc. Applicable Fraction by Calculation Method:	Units = 97.97%	Sq. Ft. = 97.94%
Applicable Fraction: (Lessor of 2 methods)	97.94%	
Commercial Rental Spaces (SF)	0	
Residential Common Areas (SF)	0	
Total Project Square Footage	104,252	

Project Cash Flow

Project ID# 37734

6/18/19 1:48 PM

Project Name: **Baptist Terrace**

TC Yr #	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Year:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
RENTAL INCOME																			
Gross Potential Rental Income - Tax Credit Units	102%	293,451	1,173,804	2,280,116	2,372,233	2,419,878	2,468,071	2,517,432	2,567,781	2,619,137	2,671,519	2,724,950	2,779,449	2,835,038	2,891,739	2,949,573	3,008,565	3,068,736	0
Gross Potential Rental Income - Non-Tax Credit Units	102%	12,600	51,408	52,436	53,485	54,555	55,646	56,759	57,894	59,052	60,233	61,437	62,666	63,919	65,198	66,502	67,832	69,188	0
Gross Potential Rental Income - Other (Specify)																			
Total Gross Potential Rental Income		306,051	1,225,212	2,332,552	2,425,718	2,474,232	2,523,717	2,574,191	2,625,675	2,678,188	2,731,752	2,786,367	2,842,115	2,898,957	2,956,936	3,016,075	3,076,397	3,137,925	0
Other Income - Residential	102%	5,910	24,113	24,595	25,067	25,589	26,100	26,622	27,155	27,698	28,252	28,817	29,393	29,981	30,581	31,192	31,816	32,453	0
Less Econ. Vac. Loss (Yrs 2-16)	Incl Line 10 Income? Y 5.04%	15,725	62,974	118,815	123,535	128,008	128,526	131,097	133,719	136,393	139,121	141,903	144,742	147,636	150,589	153,601	156,673	158,808	0
Gross Potential Rental Income - Commercial	102%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Econ. Vac. Loss (Yrs 2-16)	20.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income		290,236	1,162,351	2,233,333	2,322,289	2,373,815	2,421,291	2,489,717	2,519,111	2,589,493	2,620,883	2,673,301	2,726,767	2,781,302	2,836,928	2,893,667	2,951,540	3,010,571	0
EXPENSES																			
Professional Fees	103%	6,628	27,308	28,127	28,971	29,840	30,735	31,657	32,607	33,585	34,593	35,631	36,700	37,801	38,935	40,103	41,306	42,545	0
Administrative Expenses	103%	53,234	219,325	225,905	232,682	239,662	246,852	254,258	261,886	269,743	277,835	286,170	294,755	303,598	312,706	322,087	331,750	341,703	0
Total Utilities	103%	53,061	218,811	225,169	231,824	238,882	246,048	253,429	261,032	268,863	276,929	285,237	293,794	302,608	311,686	321,037	330,668	340,588	0
Total Repairs and Maint.	103%	53,054	218,590	225,137	231,891	238,848	246,013	253,393	260,995	268,825	276,890	285,197	293,753	302,566	311,643	320,992	330,622	340,541	0
Total Real Estate Taxes	103%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Taxes and Insurance	103%	15,864	64,534	66,437	68,464	70,518	72,634	74,813	77,057	79,369	81,750	84,203	86,729	89,331	92,011	94,771	97,614	100,542	0
Total Property Management Fee	Incl Line 10 Income? Y 103%	11,849	47,454	49,533	51,691	53,933	56,262	58,678	61,181	63,771	66,448	69,212	72,063	74,999	78,021	81,129	84,324	87,606	0
Other Miscellaneous Expenses	103%	30,504	125,676	129,448	133,329	137,329	141,449	145,692	150,063	154,565	159,202	163,976	168,897	173,964	179,183	184,558	190,095	195,798	0
Total Expenses		223,984	921,488	969,787	1,020,352	1,050,032	1,080,583	1,112,031	1,144,404	1,177,730	1,212,034	1,247,348	1,283,688	1,321,120	1,359,641	1,399,295	1,440,117	1,482,140	0
Property Management Fee as a % of EGI		4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	0.0%
NET OPERATING INCOME		72,242	284,863	1,248,545	1,306,917	1,323,783	1,340,708	1,357,686	1,374,707	1,391,764	1,408,849	1,425,953	1,443,068	1,460,182	1,477,267	1,494,372	1,511,423	1,528,431	0
Scheduled Additions to Residential Replacement Reserve	105%	0	862	10,860	11,403	11,973	12,571	13,200	13,860	14,553	15,281	16,045	16,847	17,689	18,574	19,502	20,477	21,501	0
Scheduled Additions to Operating Reserve	103%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserve	103%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserve	103%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash flow during rehab	75%	53,244	194,138																
NOI Adjusted For Reserves		18,998	69,863	1,237,686	1,295,515	1,311,810	1,328,137	1,344,488	1,360,847	1,377,211	1,393,568	1,409,908	1,426,221	1,442,493	1,458,713	1,474,870	1,490,946	1,506,930	0
ECR		1.32	1.29	2.24	2.28	2.24	2.21	2.19	2.17	2.18	2.14	2.12	2.10	2.08	2.06	2.04	2.02	2.00	0.00
DEBT SERVICE AND CASH FLOW FEES																			
Loan 1 - Rockport (HUD 223(f))	0	0	816,626	1,086,437	1,087,884	1,087,305	1,086,699	1,086,064	1,085,400	1,084,704	1,083,976	1,083,213	1,082,415	1,081,579	1,080,704	1,079,788	1,078,828	1,077,824	0.00
Debt Service Coverage Ratio			1.52	1.19	1.21	1.22	1.24	1.25	1.27	1.28	1.30	1.32	1.35	1.36	1.38	1.40	1.40	1.40	0.00
Investor Services Fee		1,250	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129	7,343	7,563	7,790	8,024	0
Loan 5 - Seller Note	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Coverage Ratio																			
Loan 4 - DDF	0	0	415,755	201,614	218,299	235,036	251,817	268,633	285,477	302,340	319,213	201,291	0	0	0	0	0	0	0
Debt Service Coverage Ratio			1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0
Loan 2 - Gap Loan TBD	0	0	0	0	0	0	0	0	0	0	0	0	134,798	352,949	389,792	386,603	403,369	420,078	0
Debt Service Coverage Ratio													1.00	1.00	1.00	1.00	1.00	1.00	0
Loan 3 - GP Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Coverage Ratio																			
Gross Income Allocation to GP		15,973	58,242	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow		1,775	6,471	0	0														
GP Fees as % Effective Gross Income		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Self Manage (Y/N)?	No																		

Project Cash Flow

Project ID# 37734

5/16/19 1:46 PM

Project Name: Baptist Terrace

TC Yr #	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Year.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
DISPOSITION OF POSITIVE NET CASH FLOW																				
to Limited Partner: % Distributed: 100%	99.99%	1,775	6,471	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
to General Partner	0.01%	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAYMENT AND DISTRIBUTION OF RESERVES																				
LEASE-UP RESERVE																				
Contribution of Capitalized Lease-Up Reserve	0																			
Lease-Up Period Deficit	0	0																		
Guarantor Contribution	0	0																		
Lease-Up Reserve Balance	0	0																		
OPERATING RESERVE																				
Capitalized Contribution from Equity	362,726	0	146,100	0	0	0	0	508,664	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Additions to Operating Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash flow to/from Operating Reserve	0	(0)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest on Operating Reserve	2.00%	0	7,255	7,400	10,470	10,679	10,893	11,110	11,333	21,733	22,167	22,611	23,063	23,524	23,995	24,474	24,964	25,463	25,962	26,461
Operating Reserve Balance	362,726	369,981	523,480	533,950	544,629	555,521	566,632	1,086,628	1,108,361	1,130,528	1,153,139	1,176,201	1,199,726	1,223,720	1,248,194	1,273,158	1,298,621	1,324,084	1,349,547	1,375,010
REPLACEMENT RESERVE																				
Moderate Rehab																				
Capitalized Contribution from Equity	0	0	250,000	0	0	0	0	250,000	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Additions to Replacement Reserve	0	862	10,860	11,403	11,973	12,571	13,200	13,860	14,553	15,281	16,045	16,847	17,689	18,574	19,502	20,477	21,501	22,574	23,696	24,867
Expenditures from Replacement Reserve	No	0	0	0	0	0	(251,525)	0	0	0	0	0	0	(374,094)	0	0	0	0	0	0
Interest on Replacement Reserve	2.00%	0	0	17	5,235	5,568	5,918	6,288	6,677	7,086	7,514	7,961	8,427	8,912	9,416	9,940	10,484	11,048	11,632	12,236
Replacement Reserve Balance	0	862	261,739	278,376	295,916	314,406	333,854	354,292	375,769	398,222	421,671	446,136	471,627	498,154	525,727	554,356	584,040	614,789	646,613	679,512
OTHER RESERVE																				
-																				
Capitalized Contribution from Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Additions to Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures from Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest on Reserve	2.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER RESERVE																				
-																				
Capitalized Contribution from Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Additions to Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures from Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest on Reserve	2.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

ATTACHMENT “D”

**Financial Advisor’s
Summary of Sales Method**

MEMORANDUM

TO:	W.D. Morris, Executive Director
FROM:	David Jones, CSG Advisors
SUBJECT:	Orange County Housing Finance Authority Multifamily Housing Revenue Bonds (Baptist Terrace Apartments)
DATE:	June 12, 2019

CSG Advisors serves as Financial Advisor to the Orange County Housing Finance Authority in connection with multifamily debt issues. In that capacity we are asked to comment on proposed multifamily debt issues under certain circumstances prior to submitting the TEFRA approval request to Orange County.

Summary Description

The applicant for Baptist Terrace Apartments is 414 East Pine Street, LP, an affiliate of the Orlando Neighborhood Improvement Corporation, Inc (ONIC). The primary contacts for 414 East Pine Street, LP is Robert Ansley, President, located in Orlando, Florida. ONIC is an Orlando-based developer that since 1989 has developed, co-developed, or partnered in 24 communities in Central Florida representing a total of 2,857 residential units.

Baptist Terrace Apartments is an existing, fully-occupied, Section 202 elderly housing development located at 414 E. Pine Street, Orlando, FL 32801 on an approximate 1.75 acre property. According to the Orange County Property Appraiser's report the building contains 152,533 gross square feet and was constructed in 1969. The 14-story residential high-rise is comprised of 197 rental units, consisting of 106 efficiency units, and 91 one bedroom units. The project would consist of an acquisition and rehabilitation of the existing property. Upon acquisition the project will have a Housing Assistance Payment contract and gross rents for the units will increase to HUD Fair Market Rents. The tenant portion of this rent will be determined by Section 8 regulations and is typically limited to 30% of a tenant's monthly adjusted income. The sponsors have proposed that Orange County Housing Finance Authority issue up to \$17,000,000 of multifamily housing revenue bonds. The bond proceeds along with other sources described below will be used by the applicant for a portion of the acquisition and rehabilitation of Baptist Terrace Apartments.

In accordance with the tax exempt bond requirements, a minimum of 40% of the rental units will be set aside for rental to persons or families with household incomes of 60% or less of the Area Median Income. For purposes of the Orange County application, 100% of the units will be set aside at household incomes of 60%.

Proposed Debt Structure

The tax-exempt mortgage revenue bonds are expected to be issued in the not-to-exceed amount of \$17,000,000. Such bonds are anticipated to be interest only at a fixed rate of interest for 24 months and while outstanding will be collateralized by either cash or Treasury notes. The bonds will be repaid at conversion from permanent loan funds and tax credit equity proceeds. The bonds are expected to be sold on a negotiated basis, and are expected to be rated AA+. Such bonds will meet all of the underwriting requirements of the Orange County Housing Finance Authority.

In addition to the \$17,000,000 proceeds of the bonds, the sources of funds for this development during construction anticipate the following financing sources:

- (a) Federal Tax Credit equity in the amount of \$8,348,034,
- (b) gap financing subordinate loan from the City of Orlando's Community Redevelopment Agency in the amount of approximately \$4,375,947,
- (c) deferred developer fees in the amount of \$2,219,886,
- (d) General Partner subordinate loan in the amount of \$500,000, and
- (e) cash flow during the rehabilitation period of \$247,382.

The proposed financing plan during construction anticipates acquisition and rehab costs, financing, construction interest and other development costs currently expected to total approximately \$32,691,249.

Method of Bond Sale

The Applicant has designated Stifel, Nicolaus & Company as investment banker subject to the approval of Orange County Housing Finance Authority. At this time, the applicant is still determining the best execution for the property's first mortgage commitment and bond structure.

The bonds are anticipated to be issued as fully registered bonds, in the minimum denomination of \$5,000.

Equity

The tax credits are anticipated to be marketed to a tax credit investor.

Credit Underwriting

Pursuant to Orange County Housing Finance Authority's policy, the proposed financing will be subject to credit underwriting by a third party firm qualified in affordable housing real estate underwriting and loan servicing. A credit underwriting report acceptable to the Orange County Housing Finance Authority will be required prior to authorizing the issuance of the bonds.

Orange County Housing Finance Authority
Multifamily Housing Revenue Bonds
(Baptist Terrace Apartments)

Investment of Proceeds

To the extent bond proceeds will be available to be drawn down during construction, the Orange County Housing Finance Authority will require such proceeds be invested pursuant to its investment policy. If applicable, CSG Advisors will oversee competitive bidding of any investment agreements.

ATTACHEMENT 'E'

**OCHFA Staff Report of the
Board of Directors meeting of 6/05/2019**



W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director <i>[Signature]</i>
DATE:	May 28, 2019
RE:	CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY ORLANDO NEIGHBORHOOD IMPROVEMENT CORPORATION FOR THE ACQUISITION AND REHABILITATION OF THE PROPOSED BAPTIST TERRACE APARTMENTS, NOT-TO-EXCEED \$17MM. JUNE 5, 2019 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On May 20, 2019, the Authority received the Baptist Terrace Apartments proposal under the 2019 Open Cycle Allocation Process. 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 conduct a TEFRA hearing and engage Professionals and proceed with the underwriting process.

CURRENT

The applicant for Baptist Terrace Apartments is Orlando Neighborhood Improvement Corporation (ONIC), a 501(c)(3) Not-for-Profit Corporation, specializing in affordable housing. ONIC has been owning, developing and operating affordable housing communities for thirty (30) years in Central Florida.

The proposal involves the acquisition and rehabilitation Baptist Terrace Apartments, a 197-unit community, an existing Section 202 – elderly housing development. The community will offer efficiencies and one bedroom units. The proposed development is located at 414 E. Pine Street in Orlando; consisting of one hundred six (106) efficiencies and ninety-one (91) 1-bd/1-ba units – with rents ranging from \$451-\$565 per month. After acquisition, the project will have a HAP contract and gross rents for units will increase to HUD's Fair Market Rents. The tenant portion of the rent will be determined based on 30% of tenants' monthly adjusted income. The current tenant services will continue to be offered.

The proposed transaction will utilize a short-term bond structure, whereby, Tax-Exempt Bonds, 4% Tax Credit and a HUD FHA 223(f) Loan as the permanent loan. The bonds will be redeemed within 18-24 months. The proceeds of the bonds issued will be deposited into a "project" account, and used to fund eligible project costs. Proceeds from the HUD FHA 223(f) loan will be deposited into a "collateral" account, and disbursements will be made from the project account. The combined balance in the "project" and "collateral" accounts will always total \$17MM, and at project completion, sufficient funds will be available to satisfy the outstanding bond obligation. Since the short-term bonds will be paid-off at permanent financing, the Authority requires payment in the amount of \$323K for application, financing and upfront issuer fees.

Additionally, the developer will secure a zero interest (0%), deferred gap loan from the City of Orlando's Community Redevelopment Agency for the amount of \$4,375,947. The developer will defer developer fees of \$2,219,886 and provide a gap loan of \$500K. The deferred developer fee and gap loan will be paid from available cash flow. The total development cost is \$33,872,549. Rehabilitation is estimated to cost in-excess of \$8.5MM. The Debt Service Coverage Ratio is at 1.17, exceeding the required 1.10.

Enclosed for your review are copies of the proforma analysis, reimbursement resolution and supporting information.

ACTION REQUESTED

Board approval of the Reimbursement Resolution (2019-02) for Multi-Family Tax-Exempt Bonds for the acquisition and rehabilitation of the proposed Baptist Terrace Apartments, not-to-exceed \$17MM; authorization for staff and Bond Counsel to take the required steps to proceed with the process, and with subsequent submission to the Division of Bond Financing.

clomun
APPROVED BY: *6/5/19*
Orange County Housing Finance Authority
BOARD OF DIRECTORS

RESOLUTION NO. 2019-02

A RESOLUTION DECLARING THE OFFICIAL INTENT OF ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR 414 EAST PINE STREET, LP, AN AFFILIATE OF THE ORLANDO NEIGHBORHOOD IMPROVEMENT CORPORATION, INC. FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.

WHEREAS, in connection with the acquisition, construction, rehabilitation and equipping of a certain multifamily housing residential rental facility described herein by Orange County Housing Finance Authority (the "Issuer") through a loan to 414 East Pine Street, LP, an affiliate of the Orlando Neighborhood Improvement Corporation, Inc. (the "Owner"), the Issuer and the Owner expect to incur expenses for which the Issuer and/or the Owner will advance internal funds; and

WHEREAS, the Issuer intends to reimburse itself and the Owner for all or a portion of such expenses from the proceeds of debt to be issued by the Issuer and loaned to the Owner.

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTY HOUSING FINANCE AUTHORITY:

I. **Findings**. It is hereby found, ascertained, determined and resolved that:

(a) There is a shortage of low, middle and moderate housing available as rentals in Orange County, Florida;

(b) This shortage of housing cannot be relieved except through the encouragement of investment by private enterprise;

(c) The financing, acquisition, construction, rehabilitation and equipping of rental housing for persons who are senior citizens (62 years and older) of low, middle, and moderate income in Orange County, Florida, constitutes a public purpose;

(d) A multifamily housing project consisting of 197 units in a 14-story residential high-rise, located at the 414 E. Pine Street, Orlando, Orange County, Florida, 32801, to be acquired, constructed, rehabilitated and equipped by the Owner, to be known as Baptist Terrace Apartments (the "Development"), will assist in alleviating the shortage of rental housing for residents of Orange County who are senior citizens (62 years and older) of low, middle and moderate income;

(e) The Owner has requested the Issuer to issue revenue bonds (the "Bonds") in an amount which, together with other available funds, will be sufficient to finance the cost of the acquisition, construction, rehabilitation and equipping of the Development and to pay other costs and fees incidental to the issuance of the Bonds. The Bonds are to be secured by certain assets, revenues and moneys described in the trust indenture securing such bonds. By virtue of the

provisions of Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations in effect thereunder or under the 1954 Code, the interest on the Bonds will be excludable from gross income for federal income tax purposes if certain criteria fixed by said provisions (the "Tax Requirements") are met;

(f) The Tax Requirements provide, among other things, that if, as in the case of the Development, the original use of a development commences (or the acquisition of a development occurs) on or after the date that obligations are issued to provide such development, an official intent with respect to such obligations must be adopted by the issuer of such obligations within 60 days after the commencement of the construction or acquisition of such development;

(g) The Owner has agreed or will agree (i) to make all units available for rental by members of the general public and (ii) not to rent any unit to the owner of the Development or to any person related (as defined in said Treasury regulations) to such owner.

2. Declaration of Official Intent. The Issuer hereby declares its official intent to reimburse itself and the Owner from the proceeds of tax-exempt debt to be incurred by the Issuer or the Owner, respectively, for expenses incurred with respect to the Development within 60 days prior to the date of this Resolution and subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. The tax-exempt debt to be issued to finance the Development is expected not to exceed an aggregate principal amount of \$17,000,000.

3. Further Authorization. The Issuer hereby authorizes Staff, General Counsel and Bond Counsel to negotiate and prepare a plan of financing and to commence the structuring of a debt instrument or instruments to provide up to \$17,000,000 in tax-exempt financing for the Development in order to maintain rental units for persons who are senior citizens (62 years and older) of low, middle, or moderate income in a qualifying housing development, including reimbursement for qualified costs incurred pursuant to Treasury Regulation § 1.150-2. The financing of the qualifying housing development shall, however, be conditioned upon the following:

(a) The plan of financing for the Development shall include a rent schedule to be approved by the Issuer.

(b) The plan of financing shall include tenant age and income restriction provisions in compliance with section 142(d) of the Code.

(c) The Owner shall not discriminate in the use, occupancy or rental of the units against persons or families with children.

(d) Any non-revenue units for Owner use, such as models and manager apartments, must be financed at Owner's expense from other than Bond proceeds.

4. Conditions. In the event that the Issuer and the Owner are unable to reach an agreement with respect to the terms and details of the Bonds or the contracts therefor, or if other circumstances prevent the issuance of the Bonds, there shall be no resultant liability on either the Issuer or the Owner nor shall any third party have any rights against either the Issuer or the Owner

by virtue of this resolution. The obligation of the Issuer to issue the Bonds pursuant to this Resolution is further conditioned upon the following:

(a) The information contained in the application of the Owner and now on file with the Issuer shall not change in any material respect. Any such material change shall be brought to the attention of the Issuer immediately in writing for further consideration by the Issuer and its General Counsel and Bond Counsel.

(b) A public hearing shall have been conducted as required by Section 147(f) of the Code.

(c) Upon issuance and delivery of the Bonds there shall be delivered to the Issuer an opinion of Bond Counsel to the effect that the Bonds are valid and binding obligations of the Issuer and that interest on the Bonds is excludable from gross income for federal income tax purposes.

(d) The Bonds shall be issued and delivered within 12 months from the date of adoption of this Resolution, unless such date is extended by action of the Issuer.

5. **Other Conditions.** The Owner has agreed to comply with all land use restrictions relating to tax-exempt financing including but not limited to those promulgated pursuant to Section 142(d) of the Code. The Owner acknowledges that the adoption of this resolution in no way implies final approval of the proposed transaction, such transaction being subject to all policies, guidelines and procedures of the Issuer and a majority affirmative vote of its Board.

6. **Incidental Action.** Any member of the Issuer and General Counsel and Bond Counsel to the Issuer are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

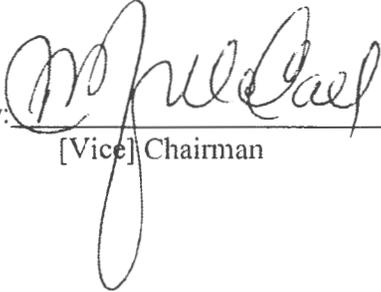
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7. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

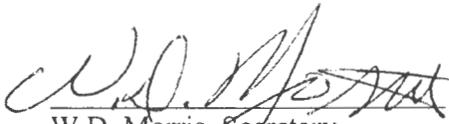
Passed this 5th day of June, 2019.

[S E A L]

ORANGE COUNTY HOUSING FINANCE
AUTHORITY

By: 
[Vice] Chairman

ATTEST:


W.D. Morris, Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

By: 
Greenberg Traurig, P.A.
General Counsel

ATTACHMENT 'F'

Proof of Publication of TEFRA Public Hearing

Orlando Sentinel

Published Daily
ORANGE County, Florida

State Of Illinois
County Of Cook

Before the undersigned authority personally appeared Spencer Clark, who on oath says that he or she is an Advertising Representative of the ORLANDO SENTINEL, a DAILY newspaper published at the ORLANDO SENTINEL in ORANGE County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter of 11200-Misc. Legal, Baptist Terrace was published in said newspaper in the issues of Jun 21, 2019.

Affiant further says that the said ORLANDO SENTINEL is a newspaper Published in said ORANGE County, Florida, and that the said newspaper has heretofore been continuously published in said ORANGE County, Florida, each day and has been entered as periodicals matter at the post office in ORANGE County, Florida, in said ORANGE County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

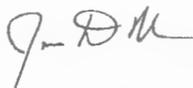


Signature of Affiant

Spencer Clark

Name of Affiant

Sworn to and subscribed before me on this 21 day of June, 2019,
by above Affiant, who is personally known to me (X) or who has produced identification ().



Signature of Notary Public



Name of Notary, Typed, Printed, or Stamped

Sold To:
Orange County Financing Authority - CU00111656
2211 Hillcrest St
Orlando, FL, 32803-4905

Bill To:
Orange County Financing Authority - CU00111656
2211 Hillcrest St
Orlando, FL, 32803-4905

6341833

NOTICE OF PUBLIC HEARING ORANGE COUNTY HOUSING FINANCE AUTHORITY RESIDENTIAL RENTAL PROJECT

Notice is hereby given that the Orange County Housing Finance Authority (the "Authority") will conduct a public hearing concerning the proposed issuance by the Authority of its not to exceed \$17,000,000 Multifamily Housing Revenue Bonds, Series (to be designated) (Baptist Terrace) (the "Bonds"). The proceeds of the Bonds would be used to finance the acquisition, construction, rehabilitation and equipping of the following residential rental project:

PROJECT/LOCATION
Baptist Terrace
414 E. Pine Street,
Orlando, Orange County,
Florida, 32801

DESCRIPTION OF PROJECT/NO. OF UNITS
197 units in a 14-story residential high-rise

OWNER
414 East Pine Street, LP, a Florida limited partnership, an affiliate of the Orlando Neighborhood Improvement Corporation

The public hearing will be held at the following time and location:

TIME
10:00 A.M.
Tuesday, July 9, 2019

LOCATION
Orange County Administration Center,
3rd Floor, Conference Room Legal "A"
201 South Rosalind Avenue
Orlando, Florida 32801

Interested persons are invited to submit written comments or present oral comments at the hearing regarding the proposed issuance of the Bonds. Written comments should be received by the Authority on or before July 2, 2019. Oral comments will be limited to no more than 3 minutes per person. Written comments or notice of intent to present oral comments should be directed to:

Orange County Housing Finance Authority
2211 E. Hillcrest Street
Orlando, Florida 32803
Attention: Executive Director

SECTION 286.0105, FLORIDA STATUTES, STATES THAT IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY A

BOARD, AGENCY, OR COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT A MEETING OR HEARING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS, AND THAT, FOR SUCH PURPOSE, 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.

OSC6341833

6/21/2019

Meeting Notice



Board Name: Orange County Housing Finance Authority
TEFRA Public Hearing Meeting for Baptist
Terrace Apartments

Date: Tuesday, July 9, 2019

Location: Third Floor, Conference Room Legal "A"
Orange County Administration Center

Time: 10:00 AM

TEFRA Hearing meeting for the proposed issuance of Multi Family Revenue Bonds for the acquisition and rehabilitation of Baptist Terrace Apartments, a residential rental project in Orange County, Florida.

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he 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.

In accordance with the Americans with Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodation to participate in this proceeding, then not later than two business days prior to the proceeding, he or she should contact the Orange County Communications Division at (407) 836-3111.

Para mayor información en español, por favor llame al (407) 836-3111.

Received 06-25-19
Posted 07-01-19
By M

ATTACHMENT 'G'

TEFRA Public Hearing Minutes



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIRMAN

VERNICE ATKINS-BRADLEY
VICE CHAIRMAN

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

MEMORANDUM

TO: FILE
FROM: Mildred Guzman, Multi Family Program Administrator
DATE: July 09, 2019
RE: TEFRA Hearing Meeting Minutes for Multi-family Housing Mortgage Revenue Tax Exempt Bonds – Baptist Terrace Apartments

Today, Tuesday, July 9, 2019, at 10:00 A.M. a TEFRA Public Hearing was conducted in Orange County at the Orange County Administration Center, 3rd floor, Conference Room Legal "A".

The meeting was presided over by Mildred Guzman, Multi-Family Program Administrator. Also present at the meeting was Mr. Alfred Arzuaga, ONIC staff representative.

The purpose of the hearing was to receive public comments regarding the issuance by the Orange County Housing Finance Authority of Multi Family Housing Mortgage Revenue Tax Exempt Bonds to finance the acquisition and rehabilitation of a proposed multifamily rental development in unincorporated Orange County as follows:

<u>PROJECT/LOCATION</u>	<u>DESCRIPTION/ NO. OF UNITS</u>	<u>OWNER</u>	<u>AMOUNT</u>
<u>Baptist Terrace</u> 414 E. Pine Street, Orlando, Orange County, Florida, 32801	197 units in a 14-story residential high-rise	414 East Pine Street, LP, a Florida limited partnership, an affiliate of the Orlando Neighborhood Improvement Corporation	\$17,000,000

No comments, oral or written, were presented during or before the hearing. The meeting adjourned at 10:30 AM.