

2020-B-01
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 \$23,000,000 in one or more series of Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, Series [to be designated] (Baptist Terrace) (the “Bonds”), (the development was the subject of a prior hearing and approval of up to \$17,000,000 of Bonds by the Board of County Commissioners of Orange County pursuant to Resolution 2019-B-03 adopted August 6, 2019), 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, a subsidiary of the Orlando Neighborhood Improvement Corporation, for persons of low, middle and moderate income (the “Project”).

PROJECT/LOCATION

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

NUMBER OF UNITS

197

WHEREAS, a public hearing was held at 10:00 A.M. on Wednesday, February 26, 2020, 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 7 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.

[remainder of page intentionally left blank]

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

PASSED AND ADOPTED this 24th day of March, 2020.

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: *Jerry L. Demings*
for Jerry L. Demings
Orange County Mayor

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

By: *Katie Smith*
Deputy Clerk

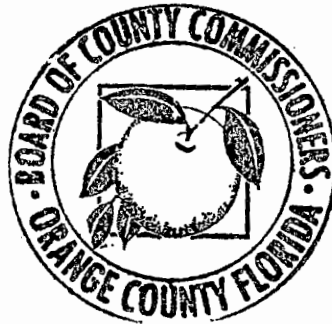


EXHIBIT A
NOTICE OF PUBLIC HEARING
ORANGE COUNTY HOUSING FINANCE AUTHORITY
RESIDENTIAL RENTAL PROJECT

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 \$23,000,000 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, a subsidiary of the Orlando Neighborhood Improvement Corporation</p>

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

TIME	LOCATION
<p style="text-align: center;">10:00 A.M. Wednesday, February 26, 2020</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 February 20, 2020. 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

Sources & Uses for Tax Credit Development

Source	Description	Rate	Per Unit	Amount	Percent
Construction Bank of America/Perm Tax Exempt Bonds- Boston Capital Financial		4.55%	110,914	21,850,000	54%
ONIC Loan		2.00%	2,538	500,000	1%
Interim Income	1,888,011	100%	9,584	1,888,011	5%
ONIC Loan			10,162	2,000,000	5%
Deferred Development Fee		65.06%	16,921	3,333,464	8%
LIHTC Equity-Red Stone/BOA	0.950		56,441	11,118,970	27%
Total Sources of Funds			206,551	40,690,475	100%

50% TEST/TEB Amount 19,848,244
 Depreciable Assets Plus Land

DCR: 1.20
 (0) 0

Uses of Funds	Description	Per Unit	Amount	Percent
Acquisition- Subject to Appraisal		65,990	13,000,000	32%
Parking Lease- Subject to Valuation		13,959	2,750,000	7%
Construction		71,207	14,027,836	34%
Professional Fees		4,617	909,500	2%
Financing Costs		16,945	3,338,217	8%
Tax Credit & Syndication Costs		988	190,725	0%
Reserves		6,854	1,350,287	3%
Development, Services Fee		26,010	5,123,930	13%
Total Uses of Funds		206,551	40,690,475	100%

Surplus/(Gap) (0) (0)

Orange County Bond Cost Estimates

Loan Amount
 21,850,000

Issuer App Fee	0.10%	\$21,850
Issuer Fee	1.65%	\$360,525
Issuer Disclosure Counsel (Greenberg)		\$7,500
Bond Counsel (Greenberg)		\$51,850
Issuer Financial Advisor Fee		\$24,350
Placement Agent- RBC Capital Markets		\$15,000
Third Party Reports		\$11,550
3rd Party Underwriter Fee		\$14,492
Trustee		\$10,000
Trustee Counsel		\$6,000
		\$523,117

Breakout of Development Costs	Per Unit	Total Cost	TC Basis	Non Basis
Acquisition				
Unit 1 Initial Working Appraisal	65,990	13,000,000	10,000,000	3,000,000
Parking Pre Paid Lease				
Pre Paid 50 Year Parking Lease 127 Spaces Un	13,959	2,750,000		2,750,000
Construction				
Hard Costs- Break Out	60,914	12,000,000	12,000,000	0
Contingency	6,091	1,200,000	1,200,000	0
Const. Mgmt fees	508	100,000	100,000	0
Developer Permits & Fees	167	32,836	32,836	0
Architect/Engineer	1,954	385,000	385,000	0
Architect Supervision	381	75,000	75,000	0
FF&E	127	25,000	25,000	0
Plan/Cost Engineering	127	25,000	25,000	0
Survey & Soils	102	20,000	20,000	0
Physical Needs Assessment	76	15,000	15,000	0
Civil Engineering	127	25,000	25,000	0
Environmental and Radon	76	15,000	15,000	0
Builders Risk/1st Yr p/l premium	558	110,000	110,000	0
P and Performance Bond (In Hard Costs)	0	0	0	0
Sub Total	71,207	14,027,836	14,027,836	0
Professional Fees				
Appraisal	152	30,000	30,000	0
Market Study	51	10,000	10,000	0
Rent Comp study	38	7,500	7,500	0
Title & Recording	254	50,000	25,000	25,000
Marketing	25	5,000	0	5,000
Organizational	86	17,000	0	17,000
Accounting & Cost Cert	203	40,000	40,000	0
Relocation	3,807	750,000	750,000	0
Sub Total	4,617	909,500	882,500	47,000
Financing Costs				
Developer Legal	1,904	375,000	187,500	187,500
Taxes and Insurance (operations)	0	-	0	0
Construction Interest (18 Months)	9,523	1,876,100	539,750	1,336,351
Tax Exempt Bond Costs	2,655	523,117		523,117
Construction Inspection Fee	76	15,000	15,000	0
Perm loan Fees	1,109	218,500		218,500
Construction Loan Fees	1,348	285,500	285,500	0
Construction Legal	330	65,000	65,000	-
Sub Total	16,945	3,338,217	1,072,750	2,265,468
Tax Credit & Syndication Costs				
Syndication Expense	330	65,000	0	65,000
FHFC Allocation Fee	358	70,225	0	70,225
FHFC Application Fee	28	5,500	0	5,500
FHFC Compliance Fee	152	30,000	0	30,000
FHFC Underwriting Fee	102	20,000	0	20,000
Sub Total	988	190,725	0	190,725
Reserves				
Soft Cost Contingency	1,660	328,958	182,505	164,453
Operating Reserve	5,194	1,023,309	0	1,023,309
Sub Total	6,854	1,350,287	0	1,350,287
Development Fee	18%	26,010	5,123,930	5,123,930
Total Development Costs		126,601	40,690,475	21,087,016

ATTACHMENT 'C'

Proforma

Baptist Terrace Unit 1
Simplified Operating Statement

RENTAL REVENUE		Elderly	Need to meet Bond test on 50% units									
Unit Type	Number of Units	Target AMI	FMR (gross)	Max LIHTC	Square Feet	Utility Allowance	Rent Cushion		Total Annual Rental Income	Notes & Assumptions		
							Below / Above/ Max LIHTC	Pro Forma Rents				
Studio 40% Income Avg	3	40%	989	486	438	0	(503)	989	35,604	New PBV Contract with rents @ 100% of FMR	17,496	
Studio 60%	98	60%	989	729	438	0	(260)	989	1,163,064	New PBV Contract with rents @ 100% of FMR	857,304	
Studio 70%	3	70%	989	850	438	0	(139)	989	35,604	New PBV Contract with rents @ 100% of FMR	30,600	
1 BR 40%	7	40%	1,064	521	620	0	(543)	1,064	89,376	New PBV Contract with rents @ 100% of FMR	43,764	
1 BR 40%	8	40%	1,064	521	656	0	(543)	1,064	102,144	New PBV Contract with rents @ 100% of FMR	50,016	
1 BR 60%	37	60%	1,064	781	620	0	(283)	1,064	472,416	New PBV Contract with rents @ 100% of FMR	346,764	
1 BR 60%	22	60%	1,064	781	656	0	(283)	1,064	280,896	New PBV Contract with rents @ 100% of FMR	206,184	
1 BR 70%	7	70%	1,064	911	620	0	(153)	1,064	89,376	New PBV Contract with rents @ 100% of FMR	76,524	
1 BT 70%	8	70%	1,064	911	656	0	(153)	1,064	102,144	New PBV Contract with rents @ 100% of FMR	87,456	
Studio - over income	2		850		438	0		850	20,400		20,400	
1 BR - over income	1		1,000		620	0		1,000	12,000		12,000	
1 BR - over income	1		1,000		656	0		1,000	12,000		12,000	
Total Units	197	58%							2,415,024		1,760,508	
		Avg AMI	Note we are still determining the actual mix to meet Section 8(a)(1) test									
OTHER INCOME								Per Unit				
Cable								140	27,500			
Tenant Charges								127	25,000			
Misc								13	2,500			
*Service Coordinator Grant Income and offsetting Expense Both Excluded												
Parking @ \$25 per month								38,100	38,100			
Total Other Income									93,100			
Vacancy		5.00%						(613)	(120,751)			
Total Vacancy & Loss									76,145		(120,751)	
TOTAL INCOME									2,387,373			
										PUPY		
										2017 OE	812,476	4,124
										2018 OE	889,440	4,515
OPERATING EXPENSES								Per Unit				
Administrative								311	61,202			
Personnel								1,137	223,983			
Operating & Maintenance								841	165,737			
Utilities								1,015	200,000			
Management Fee								533	105,000			
Property Insurance								500	98,500			
Real Estate Taxes								25	5,000			
TOTAL OPERATING EXPENSES									4,363	859,421		
NET OPERATING INCOME										1,527,952		
Replacement Reserve									300	59,100	\$300 PUPY	
NET OPERATING INCOME MINUS RESERVES										1,468,852		
DEBT	Description	rate below includes MIP						DCR	Annual Pymt			
	Perm Mortgage	Rate	Amortization					1.20	1,187,194			
		4.55%	40									
	Asset Management Fee								5,000			
Cash Flow									276,658			

Notes & Assumptions

- New PBV Contract with rents @ 100% of FMR 17,496
- New PBV Contract with rents @ 100% of FMR 857,304
- New PBV Contract with rents @ 100% of FMR 30,600
- New PBV Contract with rents @ 100% of FMR 43,764
- New PBV Contract with rents @ 100% of FMR 50,016
- New PBV Contract with rents @ 100% of FMR 346,764
- New PBV Contract with rents @ 100% of FMR 206,184
- New PBV Contract with rents @ 100% of FMR 76,524
- New PBV Contract with rents @ 100% of FMR 87,456

2017 FS GPR 1,173,658 12,000
2018 FS GPR 1,173,804

budget
budget
budget
-
17 audit 93,100 -7.93%

2017 OE 812,476 4,124
2018 OE 889,440 4,515

Note- New property manager to take over. Has projected some savings in these numbers but using higher numbers for now.

Operating Reserve
One Mth. OE & Debt Service (1st) 170,551
Monthly Requirement 6
Total Operating Reserve 1,023,308

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:	January 29, 2020

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 for the applicable units. The sponsors have proposed that Orange County Housing Finance Authority issue up to \$23,000,000 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 (AMI); however, the applicant will be using the income averaging set-aside rules in determining the income limit for certain units. The current expectation is that 18 units would be available for tenants at or below 40% AMI, 157 units for tenants at or below 60% AMI, and 22 units would be available for tenants above 60% of the Area Median Income.

Proposed Debt Structure

The tax-exempt mortgage revenue bonds are expected to be issued in the not-to-exceed amount of \$23,000,000. Such bonds are anticipated to be interest only at a variable rate of interest for 24 months. The bonds will be initially privately placed with Bank of America as the construction lender during the construction phase. Boston Capital will be the permanent bond originator, closer and servicer by entering into a forward bond purchase agreement with Bank of America. It is anticipated that Boston Capital's capital partner, Western Alliance Bank will be buying the bonds after construction.

In addition to the not-to-exceed \$23,000,000 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 \$11,018,970,
- (b) deferred developer fees in the amount of \$3,333,494,
- (c) gap financing subordinate loan from the City of Orlando's Community Redevelopment Agency in the amount of approximately \$2,000,000,
- (d) General Partner subordinate loan in the amount of \$500,000, and
- (e) cash flow during the rehabilitation period of \$1,888,011.

The proposed financing plan during construction anticipates acquisition and rehab costs, financing, construction interest and other development costs currently expected to total approximately \$40,690,475, reflecting \$21,850,000 of bond proceeds expected to be issued.

Method of Bond Sale

The bonds are expected to be sold as a private placement, with no rating required. As such, the bonds will meet all of the underwriting requirements of the Orange County Housing Finance Authority for such unrated and privately placed bonds.

Equity

The tax credits are anticipated to be marketed to a tax credit investor, currently Red Stone Equity Partners, LLC.

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.

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 2/05/2020**



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:	January 28, 2020
RE:	CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, FOR BAPTIST TERRACE APARTMENTS, NOT-TO-EXCEED \$23MM. FEBRUARY 5, 2020 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. On June 5, 2019, the Board approved the proposed, acquisition/rehabilitation request for Baptist Terrace transaction in the amount of \$17MM. Subsequent to the Boards action, the Developer determined to utilize a better execution.

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.

CURRENT

The revised 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 current rents ranging from \$451-\$565 per month. After acquisition, the project will have a Housing Assistance Payment (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 private placement structure with Bank of America as the construction lender and Boston Capital Finance as long-term lending entity. The structure will utilize Tax-Exempt Bonds, 4% Housing Credits, Deferred Developer Fee and a Low Interest rate Loan from the City of Orlando's Community Redevelopment Agency (CRA); and a GAP Loan from the developer, to be paid from available cash flow. Estimated Rehabilitation cost is \$14MM. The structure has a 1.23 Debt Service Coverage (DSC) ratio; which exceeds the Authority's minimum DSC of 1.10. The estimated Total Development Cost is \$40,690,725. Enclosed for your review are copies of the Proforma Analysis, Reimbursement Resolution and supporting information.

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

ACTION REQUESTED

Board approval of the Reimbursement Resolution (2020-01) for Multi-Family Tax-Exempt Bonds for the acquisition and rehabilitation of the proposed Baptist Terrace Apartments, not-to-exceed \$23MM; 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.

RESOLUTION NO. 2020-01

A RESOLUTION DECLARING THE OFFICIAL INTENT OF ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR 414 EAST PINE STREET, LP, A SUBSIDIARY OF THE ORLANDO NEIGHBORHOOD IMPROVEMENT CORPORATION, INC. (ONIC) 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, a subsidiary of the Orlando Neighborhood Improvement Corporation, Inc. (ONIC) (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:

1. **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 \$6,000,000, to be added to the \$17,000,000 Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, Series [to be designated] (Baptist Terrace Apartments) that was the subject of a prior hearing and approval by the Authority pursuant to Resolution 2019-02 adopted June 5, 2019 (for a total of not to exceed \$23,000,000).

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 \$23,000,000 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.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

Passed this 5th day of February, 2020.

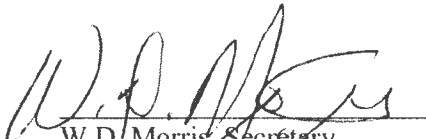
[S E A L]

ORANGE COUNTY HOUSING FINANCE
AUTHORITY

By: 

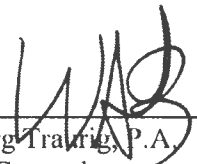
[Vice] Chairman

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 Notice**

**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 \$23,000,000 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>
Baptist Terrace 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, a subsidiary of the Orlando Neighborhood Improvement Corporation

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

<u>TIME</u>	<u>LOCATION</u>
10:00 A.M. Wednesday, February 26, 2020	Orange County Administration Center 3 rd 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 February 20, 2020. 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.

Orlando Sentinel

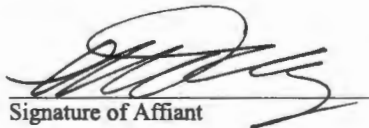
2020

Published Daily
ORANGE County, Florida

State Of Illinois
County Of Cook

Before the undersigned authority personally appeared Blaine Rogers, 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, 197 units in a 14-story residential high-rise was published in said newspaper in the issues of Feb 17, 2020.

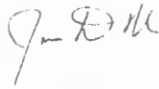
Affiant further says that the said ORLANDO SENTINEL is a newspaper Published in said ORANGE County, Florida, and that the said newspaper has heretofore been continuously published in said ORANGE County, Florida, each day and has been entered as periodicals matter at the post office in ORANGE County, 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

Blaine Rogers

Name of Affiant

Sworn to and subscribed before me on this 17 day of February, 2020,
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

6605984

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 \$23,000,000 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, a subsidiary of the Orlando Neighborhood Improvement Corporation

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

TIME

10:00 A.M.
Wednesday, February 26, 2020

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 February 20, 2020. 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.

OS6605984

2/16/2020

Meeting Notice



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

Date: Wednesday, February 26, 2020

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 2/13/2020
Posted 2/19/2020
By [Signature]

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

ALBERT HANKS
BOARD MEMBER

MEMORANDUM

TO: FILE
FROM: Mildred Guzman, Multi Family Program Administrator
DATE: February 26, 2020
RE: TEFRA Hearing Meeting Minutes for Multi-family Housing Mortgage Revenue Tax Exempt Bonds – Baptist Terrace Apartments

Today, Wednesday, February 26, 2020, 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	\$23,000,000

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