



MEMORANDUM

W.D. MORRIS
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS:

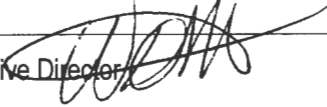
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	TO: Mayor Jerry L. Demings -AND- County Commissioners
FROM: W.D. Morris, Executive Director	
CONTACT: Frantz Dutes, Director, Programs Operations Orange County Housing Finance Authority 407-894-0014, Ext. 806	
DATE: February 17, 2023	
RE: APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF MULTI-FAMILY HOUSING REVENUE TAX EXEMPT BONDS, TO FINANCE THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF "52 AT PARK" APARTMENTS, f/k/a PARKWOOD APARTMENTS, A PROPOSED DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 6, IN AN AMOUNT NOT-TO-EXCEED \$55,500,000.	
	ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING March 07, 2023 - CONSENT AGENDA.

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

BACKGROUND

At its meeting on September 27, 2022, the Board of County Commissioners (Board) approved a Tax Equity and Fiscal Responsibility Act (TEFRA) Public Hearing (federal requirement) for a proposed development, Parkwood Apartments. The original request for Volume Cap Allocation for Parkwood Apartments was for \$44.1MM. However, a partial Volume Cap allocation in the amount of \$13,002,662 was allocated. This partial allocation allowed the proposed development to be placed on the State Division of Bond Finance 'Pending List' to receive the remaining Volume Cap allocation of \$31,097,338, if allocations became available.

CURRENT

At the end of December 2022, staff requested that Bond Counsel submit the proposed development utilizing 2022 estimates of \$44.1MM for 2023 allocation which became available on the first business day of January 2023. The request of \$44.1MM was approved by the Division of Bond Finance on January 4, 2023.

Subsequently, on January 20, 2023, the Authority received updated financial information from Lincoln Avenue Capital, the developer, reflecting a request of \$55.5MM, an increase of \$11.4MM, which reflects current market conditions. This increase exceeded 10% of the original projected cost of \$44.1MM in 2022, thus, triggering the requirement for a new TEFRA Public Hearing approval (required by IRS code).

On February 1, 2023 the Orange County Housing Finance Authority approved a Reimbursement Resolution for \$55.5MM of Multi-Family Housing Revenue Tax Exempt Bonds for the acquisition, construction and equipping of the proposed development under a new name “52 at Park” apartments. The Bonds will be a Private Placement via direct purchase securitization of the bonds by Berkadia. The structure involves tax-exempt bonds in the amount of \$55.5MM, with 4% Tax-Credits of approximately \$43,605,680MM. This structure also includes a Capital Contribution of approximately 850K, with a Deferred Developer Fee estimated at \$12,517,003MM during the permanent loan period.

PROJECT DESCRIPTION

The new affordable development, “52 at Park” apartments, will be located at 3255 W. Colonial Dr., Orlando, FL., Orange County, District 6. The community will offer one, two, three, and four bedroom units and will set-aside 100% of the units for families that earn 60% or less of the Area Median Income (AMI). The proposal is for new construction of a 300-unit community consisting of 18 1-bd/1-ba; 162 2-bd/2-ba; 108 3-bd/2-ba; and 12 4-bd/2-ba units, with rents ranging from \$894 – \$1,360 per month.

OCHFA will produce an Official Statement and related offering documents for this bond issue. The following information is provided as required by the County’s Debt Issuance Policy.

- Attachment A Project Description and Location Map
- Attachment B Related Financials
- Attachment C Proforma
- Attachment D Financial Advisor’s Summary of Sales Method
- Attachment E OCHFA Board meeting Staff Report of 02/01/2023
- Attachment F Proof of Publication of TEFRA Public Hearing Notice
- Attachment G TEFRA Public Hearing Minutes

The TEFRA public hearing was held on Thursday, February 16, 2023 at 10:00 A.M., at the Orange County Administration Bldg., 3rd Floor, Conference Room Legal 'A', 201 S. Rosalind Avenue, Orlando. The results of the Public Hearing are included as Attachment G.

ACTION REQUESTED

Approval and execution of Resolution for the issuance of Multi-Family Housing Revenue Tax Exempt Bonds, to finance the acquisition, construction, and equipping of 52 at Park, f/k/a Parkwood Apartments, a proposed development in Orange County, Florida, District 6, in an amount not-to-exceed \$55,500,000.

Attachments