



W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS:

VERNICE ATKINS-BRADLEY
CHAIR

KENNETH HUGHES
VICE CHAIR

CURTIS HUNTER
BOARD MEMBER

MERCEDES MCCALL
BOARD MEMBER

RAY COLADO
BOARD MEMBER

	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: September 25, 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 THE WATERS APARTMENTS, A PROPOSED DEVELOPMENT IN, ORANGE COUNTY, FLORIDA, DISTRICT 2, IN AN AMOUNT NOT-TO-EXCEED \$41,000,000. ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING OCTOBER 10, 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

On July 5, 2023, the Authority received an application for Multi-Family Tax-Exempt Bonds, from Apopka Leased Housing Associates II, LLLP, to finance the acquisition, construction and equipping of a multi-family rental development: 'The Waters Apartments', in Orange County, Florida, in an amount not-to-exceed \$41,000,000.

The proposed development was submitted under the Authority's 2024 Open Cycle Allocation Process. This process allows developer to submit multi-family proposals for the Authority's consideration throughout the year or as long as Volume Cap remains available; subsequent to board approval, staff will engage professionals and proceed with the underwriting process.

CURRENT

The proposal involves the construction of a rental community for senior citizens (62 years and older), consisting of 180-units, located at 1255 Plymouth-Sorrento Rd, Apopka, FL. The proposed development consists of 72 1-bed/ 1-bath, 80 2-beds/2-baths and 28 3-beds/2-baths.

Rents are projected to range from \$911.00 - \$1,272.00. The proposed Set-Aside is 100% at 60% Area Median Income (AMI).

The \$41,000,000 in Multi-Family Mortgage Revenue Bonds (MMRB) will be a Private Placement with Deutsche Bank, construction financing will be provided by Colliers Bank. The bonds will be unrated. The Investment Banker/Placement Agent for this transaction will be RBC Capital Markets. The proposed development will be financed through a combination of Tax-Exempt Bonds, Permeant Loan from Deutsche Bank, an allocation of 4% Tax Credits from FHFC and deferred Developer Fees. The \$41,000,000 in bonds will be paid down to \$23,150,000 at conversion to a permanent loan held by Deutsche Bank. The total development cost is approximately \$72,743,000.

A TEFRA Public Hearing was held on September 25, 2023, at 10:00 AM, at the Orange County Administration Center, 3rd Floor, Conference Room Legal "A", 201 S Rosalind Avenue, Orlando. The Minutes of the Public Hearing are included as Attachment G.

The following documents are attached:

- 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 9/06/2023
- Attachment F Proof of Publication of TEFRA Public Hearing
- Attachment GTEFRA Public Hearing Minutes

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 The Waters Apartments, a proposed development in Orange County, Florida, District 2, in an amount not-to-exceed \$41,000,000.

Attachments