



ORANGE COUNTY  
HOUSING FINANCE AUTHORITY

W.D. MORRIS  
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS:

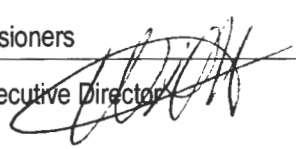
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TO:	Mayor Jerry L. Demings -AND- County Commissioners
FROM:	W.D. Morris, Executive Director 
CONTACT:	Frantz Dutes, Director, Programs Operations Orange County Housing Finance Authority 407-894-0014, Ext. 806
DATE:	May 19, 2023
RE:	Approval and execution of an "Area of Operation" Resolution authorizing Escambia County Housing Finance Authority to issue Multi-Family Housing Revenue Bonds in Orange County, to finance the acquisition, rehabilitation, and equipping of Hollowbrook Apartments, an existing development located in Orange County, Florida, District 3, in an amount not-to-exceed \$20,000,000.  ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING June 20, 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 (Orange County HFA), and each governmental unit having jurisdiction over the area in which the bond financed facility will be located.

**BACKGROUND**

The Orange County HFA was approached by Helen H. Feinberg of RBC Capital Markets and Alfred Arzuaga of Orlando Neighborhood Improvement Corporation (ONIC), regarding providing bond financing for Hollowbrook Apartments, located in the City of Orlando. The amount of the bonds needed is estimated to be \$20,000,000. At the time of inquiry, Orange County HFA had allocated all of its 2023 Volume "Cap" allocation to proposed developments in the existing pipeline. Subsequent to the initial inquiry, Ms. Feinberg approached Orange County HFA regarding working with Escambia County Housing Finance Authority (ECHFA) that has available Cap and would consider using its Cap to finance Hollowbrook Apartments request. This could be accomplished via an Interlocal Agreement that would allow ECHFA to issue the bonds in Orange County HFA's "Area of Operation" (Orange County). The Orange County HFA successfully utilized a similar partnership approach in November 2021 for the acquisition, and rehabilitation of the Kinneret Towers, a development in downtown Orlando.

Enclosed is the partially executed Interlocal Agreement with ECHFA, which would provide bond Volume Cap for the acquisition and rehabilitation of Hollowbrook Apartments. The Agreement sets-forth the responsibilities of both parties related to the administration and coordination of resources to finance the proposed transaction. Also enclosed is the proposed Resolution requesting the Orange County Board of County Commissioners (Board) to approve Orange County as an "Area of Operation" for the ECHFA, with respect to the financing or re-financing of the Acquisition and Rehabilitation of the Hollowbrook Apartments.

This request is allowable under Florida Statutes, Section §159.603 and Section §147(f) of the Internal Revenue Service Code. The attached Interlocal Agreement lays out the duties related to the issuance of the proposed bonds. Under the proposed Interlocal Agreement, Orange County HFA is responsible for shepherding the "Area of Operation", the TEFRA Hearing, and the authorizing Resolution through the Board. All other duties related to the bonds, would be accomplished by ECHFA.

## **CURRENT**

On May 3, 2023, the Board of Directors of the Orange County HFA approved an Interlocal Agreement with the ECHFA that would allow ECHFA to issue \$34,000,000 of its Volume Cap to finance both Hidden Cove, and Hollowbrook Apartments in its "Area of Operation" (Orange County). This Agreement would authorize staff to conduct a TEFRA Public Hearing on behalf of the ECHFA, and submit the request for the Board's approval of an "Area of Operation" Resolution. The "Area of Operation" Resolution will provide for the issuance of Bonds for this specific development in accordance with Section 147(F) of the Code and pursuant to Section 159.603, Florida Statutes, for the purpose of providing \$20,000,000 of the \$34,000,000 listed above to finance the Hollowbrook Apartments' proposed transaction.

The transaction involves the acquisition, rehabilitation and equipping of Hollowbrook Apartments, an existing 143 unit residential rental community, located at 5465 Curry Ford Road, Orlando – District 3. This proposed transaction will set-aside at least 40% of the units for persons who are very low, low, moderate, and middle income, whose income does not exceed 60% of AMI. This partnership provides a unique opportunity for Inter-Agency cooperation in utilizing Volume Cap to preserve affordable housing in Orange County.

The TEFRA public hearing was held on Friday, May 19, 2023 at 10:45 A.M., at the Orange County Administration Center, 3<sup>rd</sup> Floor Conference Room Legal "A." The minutes of the Public Hearing are included as Attachment E.

The following documents are attached:

Attachment A . . . . .	Inter-local Agreement with ECHFA
Attachment B . . . . .	Location Map
Attachment C . . . . .	OCHFA Board meeting Staff Report of 5/03/2023
Attachment D . . . . .	Proof of Publication of TEFRA Public Hearing
Attachment E . . . . .	TEFRA Public Hearing Minutes

## **ACTION REQUESTED**

Approval and execution of an "Area of Operation" Resolution authorizing Escambia County Housing Finance Authority to issue Multi-Family Housing Revenue Bonds in Orange County, to finance the acquisition, rehabilitation, and equipping of Hollowbrook Apartments, an existing development located in Orange County, Florida, District 3, in an amount not-to-exceed \$20,000,000.

Attachments