



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS

MERCEDES MCCALL
CHAIR

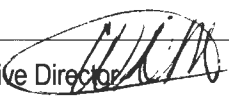
VERNICE ATKINS-BRADLEY
VICE CHAIR

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

KENNETH HUGHES
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 8, 2022

RE: APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF MULTI-FAMILY HOUSING MORTGAGE REVENUE TAX EXEMPT BONDS, TO FINANCE THE ACQUISITION AND REHABILITATION OF SILVER LAKES VILLAGE, AN EXISTING DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 2, IN AN AMOUNT NOT-TO-EXCEED \$12,000,000.

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING
SEPTEMBER 27, 2022 - 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 of November 16, 2021, the Board of County Commissioners (Board) approved a Tax Equity and Fiscal Responsibility Act (TEFRA) Public Hearing (Federal requirement) for the Silver Lakes Village proposed development. The source of financing is provided via volume Cap Allocation which is administered by the State Division of Bond Finance that has specific time frames which must be adhered to. Per federal tax law, the Board TEFRA approval is only good for one year which expires on November 16, 2022.

The Silver Lakes Village is unable to close on the financing transaction by the deadline of November 16, 2022 for various reasons impacting construction costs, material and labor costs, and financing costs. The OCHFA is required to have a current TEFRA approval prior to submitting a request to the State Division of Bond Finance to preserve the current allocation in the amount of \$12,000,000.

CURRENT

The proposal involves the acquisition and rehabilitation of an existing 104 unit community. The Multi-Family Mortgage Revenue Tax Exempt Bonds are proposed to be issued in the not-to-exceed amount of \$12,000,000. The bonds will be a Private Placement via a direct purchase securitization of the bonds by Boston Capital Finance. The structure involves tax-exempt bonds in the amount of an estimated \$12,000,000, with 4% Tax-Credits of approximately \$8,952,000. This structure also includes a Seller's Note in the amount of approximately \$7,821,584; an Elderly Housing Community Loan in the amount of \$750,000 and Acquisition Reserves in the amount of \$321,026. The debt coverage ratio for the development is 1.40, which exceeds the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

PROJECT DESCRIPTION

Silver Lakes Village is located at 5102 Cinderlane Parkway, Orlando, FL, Orange County 32808. Of the 104 units on the property, 103 units are 1-bd/1-ba; and will be set-aside for "extremely low" and "very low" income seniors of 62-years and older. The rent is set at \$837 per month/per unit; with residents paying no more than 30% of household income towards rent – the balance is paid via project based section 8 vouchers. There will be no charge to the residents for amenities, which includes on-site service coordination and services programming. The remaining unit is a 2-bd/2-ba unit, to be occupied by management.

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 10/06/2021
Attachment F	Proof of Publication of TEFRA Public Hearing Notice
Attachment G	TEFRA Public Hearing Minutes

The TEFRA public hearing was held on Monday, September 12, 2022 at 10:00 A.M., at the Orange County Administration Bldg., 3rd Floor, Conference Room Legal 'A', 201 S. Rosalind Avenue, Orlando, FL. 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 Mortgage Revenue Tax Exempt Bonds, to finance the acquisition and rehabilitation of Silver Lakes Village, an existing development in Orange County, Florida, District 2, in an amount not-to-exceed \$12,000,000.

Attachments

BCC Mtg. Date: September 27, 2022

2022-B -04
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 \$12,000,000 in one or more series of Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, Series [to be designated] (Silver Lakes Village Apartments) (the “Bonds”), the proceeds of which would finance the acquisition and rehabilitation of a residential rental project to be owned by Silver Lakes Village VOA Affordable Housing, LP, for persons who are senior citizens (62 years and older) of low, middle and moderate income (the “Project”).

PROJECT/LOCATION

Silver Lakes Village Apartments
5102 Cinderlane Parkway
Orlando, Florida 32808

NUMBER OF UNITS

104

WHEREAS, a public hearing was held at 10:00 A.M. on Monday, September 12, 2022, 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.

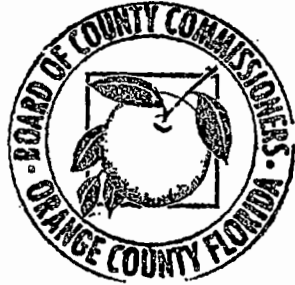
SECTION 3. Approval. For the purpose of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Board hereby approves the issuance of the Bonds to finance the Project, acknowledging, however, that the Bonds will not be issued until the Authority gives its final approval to the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

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

PASSED AND ADOPTED this 27th day of September, 2022.



ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: *Bruno B. B. B.*
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 PROJECTS

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 \$12,000,000 Multifamily Housing Revenue Bonds, Series [to be designated] (Silver Lakes Village Apartments) (the “Bonds”). The proceeds of the Bonds would be used to finance the acquisition and rehabilitation of the residential rental project listed below for persons who are senior citizens (62 years and older) of low, middle and moderate income:

PROJECT/LOCATION	NO. OF UNITS	OWNER
Silver Lakes Village Apartments 5102 Cinderlane Parkway Orlando, Florida 32808	104	Silver Lakes Village VOA Affordable Housing, LP

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

TIME AND DATE	LOCATION
10:00 A.M. Monday, September 12, 2022	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 Thursday, September 8, 2022. 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

SILVER LAKES VILLAGE APARTMENTS – Orlando, FL

Description of Housing Development:

Silver Lakes Village is an existing 104-unit three story senior affordable housing property on 6.2 acres at 5102 Cinderlane Parkway, Orlando, 32808. The sponsor, Volunteers of America National Services (VOANS), proposes and acquisition/rehabilitation financed by Tax-Exempt Bonds, 4% LIHTC equity, and almost \$10 million in sponsor sources, incl. Seller Financing Note. Opened in 2004, the property benefits from a HUD Project Rental Assistance Contract (PRAC) on the 103 one-bedroom rental units. There is also non-rental two-bedroom management unit. The site is zoned R-3B, *Residential Medium Intensity Development* (Density: 21/ DU per acre). To help fund the needed repairs, HUD approved a rent increase for the 103 rental units to \$837 PUPM, a 46% increase from the prior rents of \$574. Since the residents pay no more than 30% of their monthly income on rent, with the balance paid by the HUD rental subsidy, the rent increase has no material impact on the residents, and of course no resident will be permanently displaced. There is no charge to the residents for amenities, which includes on-site service coordination and services programming.

Description of Services

VOANS emphasizes a 'service enriched housing' approach, with a full-time on-site service coordinator and extensive individual and group programs, at no charge to the residents.



5102 Cinderlane Parkway

Elected Officials:

School Board Representative	Karen Castor Dentel
State Senate	Randolph Bracy
US Representative	Val Demings
County Commissioner	Christine Moore
State Representative	Kamia L. Brown
Orange County Property Appraiser	Amy Mercado

ATTACHMENT 'B'

Related Financials



16. Detailed Development Budget (incl. Cost of Issuance)

The sponsor proposes the 'Option 1' fee structure, with 0.75% upfront issuance fee and 0.30% ongoing annual issuer administrative fee.

The enclosed detailed development budget includes cost of issuance budget below, based on \$12,000,000 tax exempt bond issuance:

Orange Co. HFA – Bond Cost of Issuance (Prelim) 12,000,000 TE Bonds

90,000	Issuance Fee-0.75%
47,000	Bond Counsel
37,500	Issuer Counsel
14,500	Issuer Financial Advisor
14,492	Underwriter
203,492	Total

Attached:

16a. Detailed Development Budget

16b. Sources and Uses



14. Description of Proposed Financing Plan

Tax Exempt Bond Lender/Provider for \$12,000,000 Tax Exempt Bond Issuance

Tax exempt bond execution is proposed to be private placement. Citi Community Capital is projected as the lender and placement agent at the time of application:

Tax Exempt Bond Placement Agent / Contact Information

Citi Community Capital

11921 Freedom Drive, Suite 850, Reston, VA, 20190

Bryan Dickson, Director

bryan.dickson@citi.com (703) 234-7308

Financing Plan

Permanent Sources – Tax Exempt First Mortgage and LIHTC Equity (\$13,581,771)

- Tax Exempt Permanent Loan (Citi) - \$4,630,000
To help fund the needed repairs, HUD approved a rent increase for the 103 rental units to \$837 PUPM, a 46% increase from the prior rents of \$574. The rent increase generates the NOI necessary for the 4.63 million permanent first mortgage.
- 4% LIHTC Equity - \$8,951,771, priced at \$0.88 per syndication estimate by National Affordable Housing Trust.

Permanent Sources - Sponsor Resources (\$9,929,783)

- Seller Financing Note (Soft) - \$7,809,026

This represents the current owner entity (a VOANS affiliate) accumulated equity in the project since opening. The seller note may be resized based on the appraisal.

- Deferred Developer Fee Note (Soft) - \$1,049,731

32% of Developer fee is deferred and paid from cash flow over time.

- Reserve for Replacement Account Transfer - \$321,026

The existing RFR account (currently \$321,026) will transfer with the property. \$1,000 per unit will be maintained in the new RFR account (per HUD guidelines); the remaining \$217,026 will be contributed to funding.

- Florida Housing EHCL Loan (Soft) – \$750,000

VOANS secured \$750,000 in Elderly Housing Community Loan funds (EHCL), which was awarded by Florida Housing Finance Corporation (FHFC) in early 2021 to the current owner entity; loan will be assigned to the new tax credit LP.



17. Detailed Pro Forma Operating Statement

On the enclosed 15 year cash flow pro forma, rent revenue and other operating income inflates annually at 2%; operating expenses inflate at 3%.

Attached:

17a. Rental Assumptions

17b. 15 Year Cash Flow Pro Forma

Rental Income Assumptions and Applicable Fraction

Project Name: Silver Lakes Village



Residential Rental Income Assumptions

Inflator:

Unit Information					Rent and Income Targeting							Total
Unit Description	No. of BRs	No. of BAs	Unit Sq. Ft.	No. of Units	Tax Credit Unit Check Yes	Rent Subsidy Check Yes	Max. Tenant Income Limit (%)	Max. Income Target for Rent (%)	Utility Allowance	Maximum Contract Rent	Actual Contract Rent	Total Annual Rental Inc - Actual Contract
1BR 60% AMI	1	1.0	750	103	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	60%	60%		1,532	837	1,034,532
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TOTAL RENTAL UNITS			77,250	103	103	103					837	1,034,532
Manager/Nonrental Units				1								0
TOTAL RESIDENTIAL UNITS			77,250	104								1,034,532

Commercial Rental Income Assumptions

Description	Square Feet	Rent per Sq. Ft.	No. of Units	Annual Rent
TOTAL COMM	0		0	0

Other Income Assumptions

Description	Dollars/Unit/Month	Monthly Other Income	Total
Laundry: (Dollars/Unit/Month)	2.56	267	3,200
Vending: (Dollars/Unit/Month)	0.00	0	
Other: (Dollars/Unit/Month)		0	0
Other: (Specify)			0
Other: (Specify)			0
Other: (Specify)			0
TOTAL OTHER INCOME	2.59	267	3,200

Rent/Expense Escalation & Vacancy Assumptions

	Residential	Commercial
Projected Annual Rent Increase % (Yrs 1-2)	2.0%	2.0%
Annual Rent Increase % (Year 1 - 2 on)	2.0%	2.0%
Projected Annual Expense Increase	3.0%	3.0%
Annual Expense Increase (Year 1 - 2 on)	3.0%	3.0%
Projected Vacancy Loss, Year 1	5.0%	
Projected Vacancy Loss Years 2-16	5.0%	
Interest Rate on Reserve Accounts	2.0%	
Number of Months of Rent in Year 1	Calculated	11
Number of Months of Expenses in Year 1	11	11

Bond Deal Minimum Set Aside Test

Percent of Units at or below 60%	100.00%
Test met?	YES

ATTACHMENT 'C'

Proforma

Project Cash Flow

Project Name: Silver Lakes Village

		Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			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%	847,044	1,009,121	1,076,327	1,097,854	1,119,811	1,142,207	1,165,051	1,188,352	1,212,119	1,236,362	1,261,089	1,286,311	1,312,037	1,338,277	1,365,043
Gross Potential Rental Income - Non-Tax Credit Units		102%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Potential Rental Income - Other (Specify)																	
Total Gross Potential Rental Income			847,044	1,009,121	1,076,327	1,097,854	1,119,811	1,142,207	1,165,051	1,188,352	1,212,119	1,236,362	1,261,089	1,286,311	1,312,037	1,338,277	1,365,043
Other Income - Residential		102%	2,933	3,264	3,329	3,396	3,464	3,533	3,604	3,676	3,749	3,824	3,901	3,979	4,058	4,140	4,222
Less Vacancy (Year 1/Years 2-16)	Incl Line 10 Income? Y	5%	42,499	50,619	53,983	55,062	56,164	57,287	58,433	59,601	60,793	62,009	63,249	64,514	65,805	67,121	68,463
Gross Potential Rental Income - Commercial		102%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Vacancy (Year 1/Years 2-16)	0%	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income			807,478	961,766	1,025,673	1,046,188	1,067,110	1,088,453	1,110,222	1,132,427	1,155,075	1,178,177	1,201,741	1,225,775	1,250,290	1,275,296	1,300,802

EXPENDITURES

	Inflator															
Professional Fees	103%	6,600	7,416	7,638	7,867	8,103	8,346	8,596	8,854	9,120	9,394	9,676	9,966	10,265	10,573	10,890
Administrative Expenses	103%	137,202	154,165	158,790	163,554	168,461	173,515	178,720	184,082	189,604	195,292	201,151	207,186	213,402	219,804	226,398
Total Utilities	103%	44,975	50,536	52,052	53,614	55,222	56,879	58,585	60,343	62,153	64,018	65,939	67,917	69,955	72,054	74,216
Total Repairs and Maintenance	103%	134,688	151,340	155,880	160,556	165,373	170,334	175,444	180,707	186,128	191,712	197,463	203,387	209,489	215,774	222,247
Total Real Estate Taxes	103%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Taxes and Insurance	103%	151,915	170,697	175,818	181,093	186,526	192,122	197,886	203,823	209,938	216,236	222,723	229,405	236,287	243,376	250,677
Total Property Management Fee	Incl Line 10 Income? Y 103%	44,651	50,171	51,676	53,227	54,824	56,468	58,162	59,907	61,704	63,556	65,462	67,426	69,449	71,532	73,678
Other Miscellaneous Operating Expenses	103%	51,623	58,005	59,745	61,537	63,383	65,284	67,243	69,260	71,338	73,478	75,682	77,952	80,291	82,700	85,181
Other:	103%															
Total Expenditures		571,654	642,330	661,599	681,448	701,892	722,948	744,636	766,976	789,985	813,686	838,096	863,239	889,138	915,813	943,287

NET OPERATING INCOME

		235,824	319,435	364,074	364,740	365,219	365,505	365,585	365,451	365,090	364,491	363,644	362,536	361,152	359,483	357,515
Scheduled Additions to Replacement Reserve	103%	0	18,746	38,617	39,775	40,969	42,198	43,464	44,767	46,110	47,494	48,919	50,386	51,898	53,455	55,058
Scheduled Additions to Operating Reserve	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserve	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserve	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Period Income																
NOI Adjusted For Reserves		235,824	300,689	325,457	324,965	324,250	323,307	322,122	320,683	318,980	316,998	314,726	312,150	309,255	306,028	302,457

DEBT SERVICE AND CASH FLOW FEES

Loan 1 - TBD		0	65,917	263,636	263,508	263,373	263,233	263,086	262,933	262,772	262,604	262,428	262,245	262,052	261,851	261,641
<i>Debt Service Coverage Ratio</i>			4.56	1.23	1.23	1.23	1.23	1.22	1.22	1.21	1.21	1.20	1.19	1.18	1.17	1.16
Asset Management Fee		4,583	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
Loan 8 - DDF		231,241	229,623	56,517	55,993	55,249	54,278	53,066	51,601	49,874	47,870	45,578	42,984	40,073	35,784	0
<i>Debt Service Coverage Ratio</i>		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	
Loan 3 - Seller Note		0	0	0	0	0	0	0	0	0	0	0	0	0	1,050	33,253
<i>Debt Service Coverage Ratio</i>															1.00	1.00
Loan 5 - EHCL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Debt Service Coverage Ratio</i>																

Project Cash Flow

Project Name: Silver Lakes Village

Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Net Cash Flow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GP Fees as % Effective Gross Income (Economic Interest Test <50%	5.53%	5.22%	5.04%	5.09%	5.14%	5.19%	5.24%	5.29%	5.34%	5.39%	5.45%	5.50%	5.55%	5.61%	5.66%

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 Tax-Exempt Loan (Silver Lakes Village Apartments)
DATE:	September 8, 2021

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 Silver Lakes Village Apartments is Silver Lakes Village VOA Affordable Housing, LP, an affiliate of Volunteers of America National Services. The primary contact person for Silver Lakes Village VOA Affordable Housing, LP is Lee Goldstein, located in Alexandria, VA. The general partner of Silver Lakes Village VOA Affordable Housing, LP is VOA Silver Lakes Village AH GP, Inc. Volunteers of America National Services is an affordable housing developer having preserved over 1,100 LIHTC units over the past three years. Volunteers of America National Services will serve as the developer.

The development is an existing senior apartment community located at 5102 Cinderlane Parkway, Orlando, Florida consisting of a total of 104 apartment units totaling 6.2 acres in size with such rehab expenditures estimated at \$8,257,600, or approximately \$79,400 per unit. The affordable rental community is comprised of 1 building totaling 103 one-bedroom apartment units and 1 two-bedroom management unit. Silver Lakes Village primarily serves extremely low and very low income seniors, with all rental units rent subsidized via a project-based rental assistance contract from HUD. The sponsors have proposed that Orange County Housing Finance Authority issue up to \$12,000,000 of multifamily housing revenue bonds. The bond proceeds along with other sources described below will be used by the applicant for the acquisition and rehabilitation of Silver Lakes Village Apartments.

In accordance with tax exempt 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 and the new Land Use Restriction Agreement to be entered into in conjunction with this financing, 100% of the units will be set aside at household incomes of 60%.

Proposed Debt Structure

The multifamily mortgage revenue bonds are proposed to be issued in the not-to-exceed amount of \$12,000,000. Such bonds will be secured by a first mortgage loan with term to match the bonds. The bonds are expected to be privately placed with Citibank and are not expected to be rated by any rating agency. The applicant has designated RBC Capital Markets as its bond placement agent subject to the approval of Orange County Housing Finance Authority. The bonds will meet all of the underwriting requirements of the Orange County Housing Finance Authority for such unrated bonds.

The sources of funds for this development including permanent sources of funds anticipate the following financing sources:

- (a) Citibank first mortgage of \$12,000,000 paying down to \$4,630,000 after construction,
- (b) Federal tax credit equity in the amount of \$8,951,771,
- (c) Seller note of \$7,821,584, and
- (d) Elderly Housing Community Loan (EHCL) loan from Florida Housing of \$750,000.

The proposed financing plan after converting to permanent financing anticipates acquisition and rehab costs, financing, construction interest and other development costs currently expected to total approximately \$23,524,212.

Equity

The tax credits are anticipated to be purchased by National Affordable Housing Trust as the limited partner of Silver Lakes Village VOA Affordable Housing, LP.

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 financing.

Investment of Proceeds

To the extent loan 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.

Orange County Housing Finance Authority
Multifamily Housing Revenue Bonds
(Parkwood Apartments)

The tax-exempt mortgage revenue bonds are expected to be issued in the not-to-exceed amount of \$44,100,000. The bonds are expected to be privately placed with Citibank and are not expected to be rated by any rating agency. The Applicant has designated RBC Capital Markets as its bond underwriter/placement agent subject to the approval of Orange County Housing Finance Authority. The bonds will meet all of the underwriting requirements of the Orange County Housing Finance Authority for such unrated bonds.

The sources of funds for this development including permanent sources of funds anticipate the following financing sources:

- (a) Citibank first mortgage of \$44,100,000 paying down to \$37,620,000 after construction,
- (b) Federal tax credit equity in the amount of \$31,536,106,
 - a. (\$18,363,039 of which is an equity bridge loan during construction)
- (c) Deferred developer fees in the amount of \$7,385,082,
- (d) Orlando Affordable impact fee reimbursements of \$516,780, and
- (e) General partner and Class B limited partner capital contribution of \$850,000.

The proposed financing plan after converting to permanent financing anticipates acquisition and rehab costs, financing, construction interest and other development costs currently expected to total approximately \$77,907,968.

Equity

The tax credits are anticipated to be purchased by a tax credit syndicator (to be determined) in return for at least a 99% limited partnership interest in the property.

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 that 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 10/06/2021**



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

10/6/21
APPROVED BY: *[Signature]*
Orange County Housing Finance Authority
BOARD OF DIRECTORS

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

BOARD OF DIRECTORS

MERCEDES McCALL
CHAIR

VERNICE ATKINS-BRADLEY
VICE CHAIR

SASCHA RIZZO
BOARD MEMBER

CURTIS HUNTER
BOARD MEMBER

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director *[Signature]*

DATE: September 14, 2021

RE: **CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY SILVER LAKES VILLAGE VOA AFFORDABLE HOUSING, LP FOR ACQUISITION AND REHABILITATION OF THE PROPOSED SILVER LAKES VILLAGE APARTMENTS, IN AN AMOUNT, NOT-TO-EXCEED \$12,000,000.**
OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 10, 2021, the Authority received a proposal for the Silver Lakes Village Apartments under the 2021 Open Cycle Allocation Process, submitted by Silver Lakes Village VOA Affordable Housing, LP. 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 engage Professionals and proceed with the underwriting process. The investment banker/Placement Agent is RBC Capital Markets and Trustee will be US Bank.

CURRENT

The proposal is for the acquisition and rehabilitation of a 104-unit community. The proposed development is located at 5102 Cinderlane Parkway, Orlando – Orange County (Region 14). The community will offer one hundred three (103) 1-bd/1-ba; with rent at \$837.00 per month/per unit; with residents paying no more than 30% of household income – the balance is paid via project based section-8 vouchers. The Set-Aside for this proposed development will be 100% of the units for "extremely low" and "very low" income senior (62-years and older) residents. The remaining 1-unit will be a 2-bd/2-ba unit, set aside for management.

The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of \$12MM. The bonds will be a Private Placement via a direct purchase securitization of the bonds by Boston Capital Finance. The structure involves tax-exempt bonds in the amount of an estimated \$12MM, with 4% Tax-Credits of approximately \$8.952MM. This structure also includes a Seller's Note in the amount of \$7,809,026; an Elderly Housing Community Loan of \$750K; Acquisition Reserves of \$321,026. The debt coverage ratio for the proposed development is 1.40, which exceeds the Authority's minimum Threshold Criteria of 1.10. Staff utilized a conservative base approach in determining the debt coverage ratio.

Enclosed for your review are copies of the Pro forma Analysis, Reimbursement Resolution #2021-08 and supporting information.

<u>CONSTRUCTION SOURCES</u>	
\$ 12,000,000	OCHFA
\$ 7,809,026	Seller Note
\$ 1,185,829	LIHTC Equity
\$ 321,026	Acquisition Reserves
\$21,315,881.00	TOTAL SOURCES

ACTION REQUESTED

Board approval of the Reimbursement Resolution (#2021-08) for Multi-Family Tax-Exempt Bonds, for acquisition and rehabilitation of the proposed Silver Lakes Village Apartments, not-to-exceed \$12MM; 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. 2021-08

**A RESOLUTION DECLARING THE OFFICIAL INTENT OF
THE ORANGE COUNTY HOUSING FINANCE
AUTHORITY TO REIMBURSE ITSELF AND/OR SILVER
LAKES VILLAGE VOA AFFORDABLE HOUSING, LP
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 and equipping of a certain multifamily housing residential rental facility described herein by the Orange County Housing Finance Authority (the "Issuer") through a loan to Silver Lakes Village VOA Affordable Housing, LP (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 and rehabilitation 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) An existing multifamily housing project consisting of 104 units, located at 5102 Cinderlane Parkway, Orlando, 32808, to be acquired and rehabilitated by the Owner, known as Silver Lakes Village (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 and rehabilitation 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 \$12,000,000.

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 \$12,000,000 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 resolution 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.

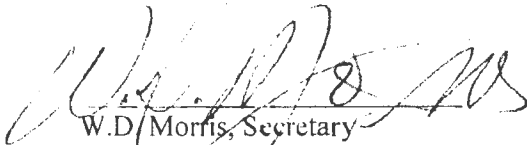
Passed this 6th day of October, 2021.

[S E A L]

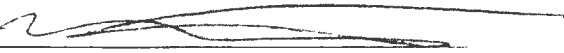
ORANGE COUNTY HOUSING FINANCE
AUTHORITY

By: 
Chair/Vice Chair

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**

Published Daily
ORANGE County, Florida

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

**State Of Florida
County Of Orange**

Before the undersigned authority personally appeared
Rose Williams, who on oath says that he or she is a duly authorized
representative of the ORLANDO SENTINEL, a DAILY newspaper
published in ORANGE County, Florida; that the attached copy of
advertisement, being a Legal Notice in:

The matter of 11200-Misc. Legal
Was published in said newspaper by print in the issues of, or by publication
on the newspaper's website, if authorized on Sep 02, 2022.

Affiant further says that the newspaper complies with all legal requirements
for publication in Chapter 50, Florida Statutes.



Signature of Affiant

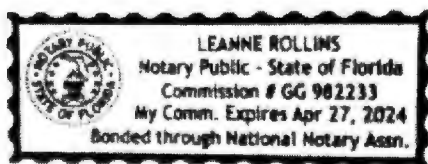
Rose Williams

Name of Affiant

Sworn to and subscribed before me on this 3 day of September, 2022,
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

7280473

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

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 \$12,000,000 Multifamily Housing Revenue Bonds, Series [to be designated] (Silver Lakes Village Apartments) (the "Bonds"). The proceeds of the Bonds would be used to finance the acquisition and rehabilitation of the residential rental project listed below for persons who are senior citizens (62 years and older) of low, middle and moderate income:

PROJECT/LOCATION
Silver Lakes Village Apartments
5102 Cinderlane Parkway
Orlando, Florida 32808

NO. OF UNITS
104

OWNER
Silver Lakes Village VOA
Affordable Housing, LP

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

TIME AND DATE
10:00 A.M.
Monday, September 12, 2022

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 Thursday, September 8, 2022. 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.

9/02/2022 7280473

ATTACHMENT 'G'

TEFRA Public Hearing Minutes

ORANGE COUNTY HOUSING FINANCE AUTHORITY

TEFRA PUBLIC HEARING

TAX EQUITY AND FISCAL RESPONSIBILITY ACT "TEFRA"

OFFICIAL MEETING MINUTES

Project: Silver Lakes Village Apartments **Date:** September 12, 2022 **Time:** 10:00 a.m.
Location: Orange County Administration Bldg. 3rd Floor- Conf. Room Legal 'A' – 201 S. Rosalind Ave, Orlando, FL 32801

OCHFA STAFF

PRESENT

W.D. Morris
Executive Director

Mildred Guzman
Program Operations Administrator

OCHFA Professionals

PRESENT

BCC

PRESENT

Danielle Phillips
Orange County Fiscal & Business Services

Developer Representatives

PRESENT

MEETING OPENED: Mildred Guzman, Program Operations Administrator, began moderating the meeting at 10:00 a.m.

PURPOSE OF MEETING:

The TEFRA Public Hearing began by providing its purpose of receiving comments regarding Orange County Housing Finance Authority's (OCHFA/ the Authority), Multi-Family Housing Revenue Tax Exempt Bond issuance, not-to-exceed \$12,000,000, for the financing, acquisition and rehabilitation of an existing project – Silver Lakes Village Apartments – a residential rental community, consisting of 104-units; located at 5102 Cinderlane Parkway, Orlando, within Orange County, District 2.

PUBLIC COMMENT(s):

No comments, oral or written, were presented during or before the hearing.

ADJOURNMENT

There being no further comments, Mildred Guzman, Meeting Moderator, adjourned the meeting at 10:30 a.m.

