



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS

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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, CONSTRUCTION, AND EQUIPPING OF SOUTHWICK COMMONS, A PROPOSED DEVELOPMENT IN APOPKA, ORANGE COUNTY, FLORIDA, DISTRICT 2, IN AN AMOUNT NOT-TO-EXCEED \$26,300,000.

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 a proposed development, Southwick Commons Apartments. 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 Southwick Commons Apartments is unable to close on the financing transaction by the deadline of November 16, 2022 due to a legal proceeding related to regulatory approval involving the City of Apopka. 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 Volume Cap Allocation in the amount of \$26,300,000.

CURRENT

The proposal is for the construction of a 195-unit community. The community will offer one, two and three bedroom units. This proposed development will set-aside 77% of the units for families that earn 60% or

less of the Area Median Income (AMI). The proposed development will be supported by Project Based Section-8 Voucher Program and by utilizing Income Averaging (IA) will achieve an average AMI of 80%. The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of \$26,300,000.

The bonds will be a Private Placement via a direct purchase securitization of the bonds by JP Morgan Chase and will be unrated. The structure involves tax-exempt bonds in the amount of an estimated \$26,300,000, with 4% Tax-Credits of approximately \$22,445,895. At construction completion (24-months), the bonds will be paid down to \$14,000,000 at conversion to permanent. The projected interest rate is 2.65%. The debt coverage ratio for the proposed development is 1.39, 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

The proposed development is located at 461 E. 7th Street, Apopka, Orange County, FL., District 2. The proposed development will consist of 58 1-bd/1-ba; 98 2-bd/2-ba; and 39 3-bd/2-ba, with rents ranging from \$264 – \$1,493 per month.

The following information is provided as required by the County's Debt Issuance Policy.

OCHFA will produce an Official Statement and related offering documents for this bond issue.

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 11:30 AM, at the Orange County Administration Bldg., 3rd Floor, Conference Room Legal 'A', 201 S. Rosalind Ave., Orlando, FL 32801.

ACTION REQUESTED

Approval and execution of Resolution for the issuance of Multi-Family Housing Mortgage Revenue Tax Exempt Bonds, to finance the acquisition, construction, and equipping of Southwick Commons, a proposed development in Apopka, Orange County, Florida, District 2, in an amount not-to-exceed \$26,300,000.

Attachments

BCC Mtg. Date: September 27, 2022

2022-B-05
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 \$26,300,000 in one or more series of Orange County Housing Finance Authority Multifamily Housing Revenue Bonds, Series [to be designated] (Southwick Commons Apartments) (the “Bonds”), the proceeds of which would finance the acquisition, construction and equipping of a residential rental project to be owned by Southwick Commons, Ltd., for persons who are of low, middle and moderate income (the “Project”).

PROJECT/LOCATION

Southwick Commons Apartments
461 E. 7th Street
Apopka, Florida 32703

NUMBER OF UNITS

195

WHEREAS, a public hearing was held at 11:30 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: *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 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 \$26,300,000 Multifamily Housing Revenue Bonds, Series [to be designated] (Southwick Commons Apartments) (the "Bonds"). The proceeds of the Bonds would be used to finance the acquisition, construction and equipping of the residential rental project listed below for persons who are of low, middle and moderate income:

PROJECT/LOCATION	NO. OF UNITS	OWNER
Southwick Commons Apartments 461 E. 7th Street Apopka, Florida 32703	195	Southwick Commons, Ltd.

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

TIME AND DATE	LOCATION
11:30 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

SOUTHWICK COMMONS APARTMENTS - Apopka, Orange County, FL

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). Include a location map of the proposed site (paying special attention to the accuracy of its boundaries) and, if available, preliminary site plan drawings, elevation renderings, unit layout drawings, etc.

Location: Approx. 175 ft. SE of the intersection of E 6th St. & Alabama Ave., Apopka, Orange County, FL.

Acreage: 16

Zoning: MU-D

Construction Type: New - Garden Concrete

Number of Units and rental rates: 195 Units Rents ranging from \$264 - \$1,493

Bedroom Mix: 58 1-bd/1-ba; 98 2-bd/2-ba; and 39 3-bd/2-ba; and 4-bd/2-ba

Amenities: (All Free to residents) In unit washers & dryers, Pool & BBQ area, Fitness center, Community gathering room, Mail room, Computer room, outdoor children playground/Tot Lot

Description of the various levels of services and care to be provided and evidence of the need for such services within the area. This section must specifically address whether the project will compete with other existing or planned affordable housing in the immediate market. Include a recently prepared local market or feasibility study or recently completed "as completed" real estate appraisal prepared by independent professionals relating to the development.

Southwick Commons will provide 195 family units of mixed income affordable housing inventory into Downtown Apopka. The development is a part of the overall Apopka City Center development, which is supported by the City and its residents. Southwick Commons will provide the following services (at a minimum) to residents:

1. Adult literacy classes
2. Family support coordinators made available from local partner organizations
3. Financial Management Programs made available via local partnership organizations

The most recent affordable housing developments in Apopka were also built and managed by Wendover

- Brixton Landings - an 80 unit senior affordable housing community, and
- Wellington Park - a 120 unit affordable housing community for families.

Both of these communities are 100% occupied with waiting lists. The development of Southwick Commons will alleviate the need for lengthy waitlists at these other developments while also providing 195 new affordable housing units to the local area.

Southwick Commons Apts - 461 E 7th Street, Apopka FL 32703



461 E 7th Street, Apopka

Elected Officials:

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

ATTACHMENT 'B'

Related Financials

July 1, 2021

Jonathan L. Wolf
Southwick Commons, Ltd.
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714

Re: Southwick Commons -- Preliminary Commitment

Dear Mr. Wolf:

This letter is a preliminary equity investment commitment from the National Equity Fund, Inc. (NEF) for Southwick Commons ("Project"), a proposed LIHTC, multifamily community which will consist of 195 units that will serve families. The community is located in Apopka, Florida.

NEF, an affiliate of the Local Initiatives Support Corporation (LISC), was incorporated in 1987 with the mission to identify and develop new sources of financing to help provide affordable housing for low income families and to assist non-profit organizations in creating this housing. NEF has worked with 700 local development partners in forming partnerships which acquire, develop, rehabilitate and manage low-income rental housing. Since the enactment of the Federal Low-Income Housing Tax Credit in 1986, NEF has raised more than \$10 billion in equity and invested it in more than 2,100 affordable housing projects in 46 states, including Washington, D.C. and Puerto Rico.

Described below are the basic terms, conditions and assumptions of this preliminary commitment:

- The Project will be a 195-unit LIHTC housing development located in Apopka, Florida.
- The project will be owned by Southwick Commons, Ltd.; Southwick Commons GP, LLC will act as General Partner. The Limited Partner will be NEF Assignment Corporation. NEF has reviewed the entities and principals involved.
- NEF proposes to be the Federal Low-Income Housing Tax Credit investor with an equity investment of \$22,445,895 which represents a price of \$0.94 to purchase a total credit amount of \$23,878,612 ($\$23,881,000 \times 99.99\%$), based on an annual allocation of \$2,388,100 Federal Low-Income Housing tax credits. NEF's proposed equity pay-in schedule is depicted on the following page:

- 25% at Closing (\$5,611,474, amount paid prior to construction completion);
- 75% at Stabilization & 8609

The final timing and amounts of equity payments at closing and during construction will be agreed upon by NEF and the General Partners prior to closing.

- NEF will require an annual asset management fee of \$100 per unit, or \$19,500, increasing 3% per annum.
- **Reserves** – NEF will require Capitalized Operating Reserves in an amount to be sized during underwriting; NEF will require annual contributions to the Replacement Reserves account in the amount of no less than \$300 per unit, or \$58,500, increasing 3% per annum.
- **Guaranties and Adjusters** – NEF will require Jonathan L. Wolf and guarantors acceptable to NEF in its sole discretion to provide guaranties of development completion, operating deficits, and the repurchase of NEF's interest if the project fails to meet basic tax credit benchmarks. The project's partnership agreement will include adjusters to the Limited Partner's capital contributions if there is a change in the agreed upon amounts of total projected tax credits or projected first year credits.

A final determination of our investment will depend upon confirmation of the project's assumptions; a full underwriting of the Project, the development team and their financial statements; the review of plans and specifications; the commitment for all other sources of financing; the development schedule; review of due diligence materials; successful negotiation of the partnership agreement and approval by NEF's Investment Review Committee and by its final tax credit investors.

Sincerely,



Jason Aldridge
Vice President
National Equity Fund

Accepted By:

Southwick Commons, Ltd., a Florida limited
partnership
By: Southwick Commons GP, LLC, a Florida limited
liability company as its General Partner
By: Jonathan L. Wolf, Manager



July 1, 2021

Southwick Commons, Ltd.
c/o Jonathan L. Wolf
Wendover Housing Partners
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714

Re: Southwick Commons
Orange County, Florida

Dear Mr. Wolf:

Thank you for considering JPMorgan Chase Bank, N.A. ("JPMorgan Chase" or "Lender") as a potential construction and permanent lender for the development of affordable rental housing to be known as **Southwick Commons** and located in Orange County, Florida. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but is rather intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

Facilities: JPMorgan Chase will purchase tax exempt bonds in the amount of **\$28,000,000**, the proceeds of which will fund construction and permanent loans to the Borrower. Upon meeting the conditions required for the permanent period, the Construction Loan will convert to a Permanent Loan in an amount not to exceed **\$14,000,000**.

Borrower: Southwick Commons, Ltd.

Managing Member: Southwick Commons GP, LLC

Project: Southwick Commons will consist of an 195-unit affordable rental property that will be targeted towards family-oriented households and located in Apopka, Orange County, Florida.

Construction Loan

Amount: Approximately \$28,000,000; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.

Initial Term: 24 months.

Interest Rate: Libor (subject to 50 bps Floor) + 210 bps (2.65% as of November 4, 2020).

Commitment Fee: 1% of the loan amount.

Extension Option: One, conditional, six-month maturity extension.

Extension Fee: 0.25% of the sum of the loan balance and the amount remaining of the original commitment.

Collateral: First mortgage; other typical pledges and assignments.

Guarantee:	Full payment and completion guarantees and environmental indemnity by guarantors/indemnitor(s) satisfactory to JPMorgan Chase.
Developer Fee:	Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval.
Tax Credit Equity:	At least 15% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.
Subordinate Liens:	Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and Impact.
Repayment:	Construction Loan will be repaid from equity funded up to and including conversion to the permanent financing and from the permanent loan.
Loan to Value:	Up to 80% including the value of the real estate and low income housing tax credits.
Contract Bonding:	100% Payment and Performance Bonds from "A" rated surety

Permanent Loan

Amount:	\$14,000,000 subject to final underwriting.
Commitment Fee:	1.00% of the Permanent Loan amount payable at Construction Loan closing.
Interest Rate:	The interest rate for the Permanent Loan shall be locked at Construction Loan closing. The applicable interest rate shall be the 10-Year Swap Rate (Subject to 100 Bps Floor, hereby suspended if closing occurs prior to expiration of this LOI) plus 270 bps. Current indicative rate is 3.70%
Outside Conversion Date:	The Borrower must convert to the Permanent Loan on or before 30 months from Construction Loan closing. This "Outside Conversion Date" is the Construction Loan closing date advanced by the sum of (i) the number of months of the initial Construction Loan term and (ii) the maximum number of months available under the Extension Option.
Failure to Convert to the Permanent Loan:	In the event the Permanent Period does not commence for any reason or does not commence on or before the Outside Conversion Date, the Borrower shall pay Lender a break funding premium equal to the greater of 1.0% of the Permanent Loan commitment amount or yield maintenance.
Permanent Loan Term:	Measured from Construction Loan closing and equal to the sum of (i) the number of months to the Outside Conversion Date and (ii) 180 months (15 years).
Amortization:	35 years
Collateral:	First mortgage; other typical pledges and assignments.

Guarantee: After conversion, the Permanent Loan shall be non-recourse to the Borrower, except as to standard carve-outs for the Borrower, General Partner, and Key Principals.

Loan to Value: Up to 80% of the stabilized rent-restricted value.

Conversion Requirements: At least three consecutive calendar months of not less than:

- 1.20x debt service coverage ratio (DSCR); 1.15x all-in DSCR including all loans requiring debt service payment, and
- 90% economic and physical occupancy.

And a pro forma forecast shows in the first ten years following conversion annual DSCR (based on annual revenue growth of 2% and annual expense growth of 3%) of not less than 1.00x.

As applicable, commercial income and commercial tenants will be excluded from the DSCR and occupancy requirements.

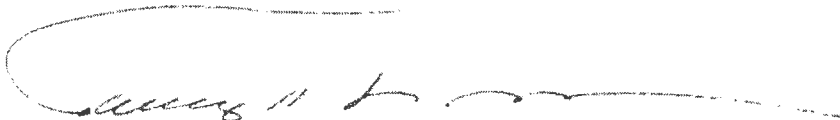
Prepayment Terms: Prepayment prior to three years before the Permanent Loan maturity date will be subject to a prepayment fee equal to the greater of 1% of the loan balance or yield maintenance. Thereafter, prepayment will be without premium.

Escrows/Reserves: Bank controlled escrows required for property taxes, insurance, and replacement reserves. Replacement reserve of \$300/unit/year (or such higher amount as required by any other party to the transaction) funded at conversion with 3-month initial deposit. An operating reserve equal to three months of operating expenses and debt service payments, to stay in place for the life of the loan, is required.

We appreciate the opportunity to discuss with you the possibility of providing construction and permanent financing for the proposed project. This letter of interest is for your, and the local governmental agency as well as the tax credit allocating agency's information and use only, and is not to be shown to or relied upon by other parties. **Please note, credit markets are volatile. Loan fees and interest rates are subject to adjustment prior to Construction Loan Closing.** JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you. This letter, which expires December 31, 2021, serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. JPMorgan Chase cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

Sincerely,

JPMorgan Chase Bank, NA



Tammy Haylock-Moore, Authorized Officer

DEVELOPMENT BUDGET- FORECASTED SOURCES & USES OF FUNDS
Southwick Commons - Orange County, FL - Family

			TOTAL BUDGET	Per Unit	Construction Period	
SOURCES OF FUNDS						
Tax Exempt Bonds- Permanent Mortgage	Rate 4.00%	\$	14,000,000	\$ 71,795	\$ -	
NHTF	Rate 0.00%	\$	989,000	\$ 5,072	\$ 989,000	
Orange County Trust Funds	Rate 1.00%	\$	2,000,000	\$ 10,256	\$ 2,000,000	
SAIL	Rate 1.00%	\$	7,000,000	\$ 35,897	\$ 7,000,000	
ELI SAIL	Rate 1.00%	\$	600,000	\$ 3,077	\$ 600,000	
Tax Exempt Bonds- Construction Mortgage	Rate 4.25%	\$	-	\$ -	\$ 26,300,000	
Deferred Developer Fee Note		\$	3,441,706	\$ 17,650	\$ 6,594,633	
TOTAL EQUITY		\$	20,603,903	\$ 105,661	\$ 5,150,976	25.00%
TOTAL SOURCES OF FUNDS		\$	48,634,609	\$ 249,408	\$ 48,634,609	
USES OF FUNDS						
Hard Construction Costs						
New Rental Units		\$	24,570,000	\$ 126,000	\$ 24,570,000	
Site Work		\$	1,500,000	\$ 7,692	\$ 1,500,000	
General Contractor Fees						
Builders Profit		\$	1,564,200	\$ 8,022	\$ 1,564,200	
General Requirements		\$	1,564,200	\$ 8,022	\$ 1,564,200	
General Overhead		\$	521,400	\$ 2,674	\$ 521,400	
Payment & Performance Bond		\$	150,000	\$ 769	\$ 150,000	
TOTAL GC FEES		\$	3,799,800	\$ 19,486	\$ 3,799,800	
Hard Cost Contingency Reserves		\$	1,485,990	\$ 7,620	\$ 1,485,990	
TOTAL CONSTRUCTION CONTRACT		\$	31,355,790	\$ 160,799	\$ 31,355,790	
General Development Costs						
Accounting Fees		\$	25,000	\$ 128	\$ 25,000	
Appraisal		\$	10,000	\$ 51	\$ 10,000	
Architect's Fee - Building Design		\$	350,000	\$ 1,795	\$ 350,000	
Architect's Fees - Landscape		\$	50,000	\$ 256	\$ 50,000	
Architects Fees - Supervision		\$	25,000	\$ 128	\$ 25,000	
Builder's Risk Insurance		\$	195,000	\$ 1,000	\$ 195,000	
Building Permit		\$	292,500	\$ 1,500	\$ 292,500	
Engineering Fees		\$	250,000	\$ 1,282	\$ 250,000	
Environmental		\$	25,000	\$ 128	\$ 25,000	
HFC Administrative Fee		\$	202,975	\$ 1,041	\$ 202,975	
HFC Application Fee + TEFRA Fee		\$	3,000	\$ 15	\$ 3,000	
HFC Compliance Fee		\$	220,904	\$ 1,133	\$ 220,904	
HFC Credit Underwriting Fee		\$	23,891	\$ 123	\$ 23,891	
Insurance		\$	100,000	\$ 513	\$ 100,000	
Soft Cost Contingency		\$	125,225	\$ 642	\$ 125,225	
Green Certification / HERS Inspection Costs		\$	40,000	\$ 205	\$ 40,000	
Impact/Utility Connection Fees		\$	1,056,705	\$ 5,419	\$ 1,056,705	
Inspection Fees		\$	30,000	\$ 154	\$ 30,000	
Legal Fees		\$	350,000	\$ 1,795	\$ 350,000	
Market Study		\$	15,000	\$ 77	\$ 15,000	
Marketing/Advertising		\$	125,000	\$ 641	\$ 125,000	
Property Taxes		\$	50,000	\$ 256	\$ 50,000	
Soil Test Report		\$	10,000	\$ 51	\$ 10,000	
Survey		\$	12,000	\$ 62	\$ 12,000	
Title Insurance and Recording Fees		\$	150,000	\$ 769	\$ 150,000	
Personal Property		\$	500,000	\$ 2,564	\$ 500,000	
TOTAL GENERAL DEVELOPMENT COSTS		\$	4,237,200	\$ 21,729	\$ 4,237,200	
Financial Costs						
Construction & Soft Loan Commitment Fees		\$	76,000	\$ 390	\$ 76,000	
Const. Loan, Soft & Gap Financing Const. Period Int.		\$	1,503,868	\$ 7,712	\$ 1,503,868	
Chase Construction Loan Cost Review & Inspections		\$	50,000	\$ 256	\$ 50,000	
Chase Perm Loan Fee(s)		\$	140,000	\$ 718	\$ 140,000	
Construction Loan Closing Costs		\$	50,000	\$ 256	\$ 50,000	
Permanent Loan Closing Costs		\$	50,000	\$ 256	\$ 50,000	
Equity Closing Costs		\$	50,000	\$ 256	\$ 50,000	
Affordable Housing Trust Fund Loan Commitment Fee		\$	20,000	\$ 103	\$ 20,000	
Affordable Housing Trust Fund Loan Application Fee		\$	5,000	\$ 26	\$ 5,000	
Cost of Issuance/Underwriter		\$	448,992	\$ 2,303	\$ 448,992	
TOTAL FINANCIAL COSTS		\$	2,393,860	\$ 12,276	\$ 2,393,860	
Developer's Fee		\$	6,837,633	\$ 35,065	\$ 6,837,633	
Operating Deficit Reserves		\$	460,126	\$ 2,360	\$ 460,126	
Total Land Cost		\$	3,350,000	\$ 17,179	\$ 3,350,000	
TOTAL USES OF FUNDS		\$	48,634,609	\$ 249,408	\$ 48,634,609	

Southwick Commons

Cost of Issuance- Tax Exempt Bond Fee Schedule- OCHFA

FEE TYPE	AMOUNT	TOTAL AMOUNT	PAYMENT DUE DATE
Application Fee	10 bps of the bond amount One-time non-refundable fee	\$26,300	At time of application
Initial Bond Financing Fee	30 bps of the bond amount One-time non-refundable fee	\$78,900	Adoption of Inducement Resolution
Remaining Bond Financing Fee	35 bps of the bond amount One-time non-refundable fee	\$92,050	Due at Closing
Construction Period Admin Fees	30 bps of outstanding bond amount \$10k annual minimum	\$78,900	Paid semi-annually during construction
Third Party Underwriter	\$14,492	\$14,492	During underwriting
Issuer/Disclosure Counsel Fee	\$7,500 + 25 bps of bond amount (minimum \$15k) plus expenses	\$73,250	Due at Closing
Bond Counsel Fee	\$42k for amounts up to \$12mm plus 10bps of amount over \$12mm	\$56,300	Due at Closing
Issuer Financial Advisor Fee	15 bps for first \$5mm plus 10bps of amount over \$5mm	\$28,800	Due at Closing
TOTAL:		\$448,992	

Southwick Commons
UNIT MIX- INCOME LEVELS & RENTS

		UNIT MATRIX 100%	1BR 30.0% 58.5	2BR 50.0% 97.5	3BR 20.0% 39.0	TOTAL
AMI						
% Low Income	80%	23.1%	12	24	9	45
% Low Income	60%	59.0%	35	57	23	115
% Extremely Low Income	30%	15.4%	9	15	6	30
% Extremely Low Income	22%	2.6%	2	2	1	5
TOTAL LOW INCOME		100.00%	58	98	39	195
TOTAL		100.00%	58	98	39	195

Income Average
60.0000000%

One Bedroom SF 800 SF
 Two Bedroom SF 1,060 SF
 Three Bedroom SF 1,257 SF
 Statistical Avg family size per bedroom 1.50
 Statistical Avg family size per efficiency 1.00
 Rent to Income Limit 30%

UNIT MIX	AMI Level	No. of BRs (1-3)	Net Unit Square Footage	Total Square Footage	MAX HUD RENTS	UTILITY ALLOWANCES	NET RENTS PER UNIT	TOTAL MONTHLY RENTS	TOTAL ANNUAL RENTS
12	80%	1BR	800	9,600	\$1,146	\$51	\$1,095	\$13,140	\$157,680
35	60%	1BR	800	28,000	\$859	\$51	\$808	\$28,280	\$339,360
9	30%	1BR	800	7,200	\$429	\$51	\$378	\$3,402	\$40,824
2	22%	1BR	800	1,600	\$315	\$51	\$264	\$528	\$6,336
24	80%	2BR	1,060	25,440	\$1,374	\$77	\$1,297	\$31,128	\$373,536
57	60%	2BR	1,060	60,420	\$1,030	\$77	\$953	\$54,321	\$651,852
15	30%	2BR	1,060	15,900	\$515	\$77	\$438	\$6,570	\$78,840
2	22%	2BR	1,060	2,120	\$378	\$77	\$301	\$602	\$7,224
9	80%	3BR	1,257	11,313	\$1,588	\$95	\$1,493	\$13,437	\$161,244
23	60%	3BR	1,257	28,911	\$1,191	\$95	\$1,096	\$25,208	\$302,496
6	30%	3BR	1,257	7,542	\$595	\$95	\$500	\$3,000	\$36,000
1	22%	3BR	1,257	1,257	\$437	\$95	\$342	\$342	\$4,104
195	TOTAL LOW INCOME			199,303				\$179,958	\$2,159,496

<p align="center">PROJECTED OPERATING EXPENSES Southwick Commons - Orange County, FL - Family</p>
--

ASSUMPTIONS

Forecasted Vacancy - Apartments	7.00%
Forecasted Annual Increase in Expenses	3.00%
Forecasted Annual Increase in Rents	2.00%

	<u>Adjusted Total</u>	<u>Per Unit</u>	<u>Pct. of EGI</u>
Effective Gross Income (EGI)	\$ 2,102,633	\$ 10,783	100.00%
Administrative Expenses			
Accounting	\$ 13,650	\$ 70	0.65%
Advertising	\$ 14,625	\$ 75	0.70%
Management Fee	\$ 105,142	\$ 539	5.00%
Office Supplies & Postage	\$ 14,625	\$ 75	0.70%
Payroll & Taxes	\$ 300,000	\$ 1,538	14.27%
Tenant Services	\$ 14,625	\$ 75	0.70%
General Administrative Expenses	\$ 14,625	\$ 75	0.70%
Other	\$ -	\$ -	0.00%
Total Administrative Expenses	\$ 477,292	\$ 2,448	22.70%
Utility Expenses			
Trash Removal	\$ 24,000	\$ 123	1.14%
Elevator	\$ -	\$ -	0.00%
Utilities	\$ 93,600	\$ 480	4.45%
Water & Sewer	\$ 78,000	\$ 400	3.71%
Other Utility Expenses	\$ -	\$ -	0.00%
Total Utility Expenses	\$ 195,600	\$ 1,003	9.30%
Maintenance Expenses			
Grounds	\$ 24,000	\$ 123	1.14%
Repairs	\$ 107,250	\$ 550	5.10%
Supplies	\$ 19,500	\$ 100	0.93%
Maintenance	\$ 39,000	\$ 200	1.85%
Total Maintenance Expenses	\$ 189,750	\$ 973	9.02%
Fixed Expenses			
Real Estate Tax	\$ 136,500	\$ 700	6.49%
Annual Insurance Premiums	\$ 97,500	\$ 500	4.64%
Total Fixed Expenses	\$ 234,000	\$ 1,200	11.13%
Total Annual Operating Expenses	\$ 1,096,642	\$ 5,624	52.16%
Replacement Reserves	\$ 58,500	\$ 300	2.78%
Total Operating Costs & Replacement Reserves	\$ 1,155,142	\$ 5,924	54.94%
NET OPERATING INCOME (LOSS)	\$ 947,491	\$ 4,859	45.06%

ATTACHMENT 'C'

Proforma

**Southwick Commons - Orange County, FL - Family
PROJECT OPERATING PRO FORMA**

2% Annual increase of income
3% Annual increase of expenses

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Potential Gross Income	\$ 2,159,496	\$ 2,202,686	\$ 2,246,740	\$ 2,291,674	\$ 2,337,508	\$ 2,384,258	\$ 2,431,943	\$ 2,480,582	\$ 2,530,194	\$ 2,580,798	\$ 2,632,414	\$ 2,685,062	\$ 2,738,763	\$ 2,793,538	\$ 2,849,409
Laundry Income	\$ 81,900	\$ 83,538	\$ 85,209	\$ 86,913	\$ 88,651	\$ 90,424	\$ 92,233	\$ 94,077	\$ 95,959	\$ 97,878	\$ 99,836	\$ 101,832	\$ 103,869	\$ 105,946	\$ 108,065
Late Fees/Other Income	\$ 19,500	\$ 19,890	\$ 20,288	\$ 20,694	\$ 21,107	\$ 21,530	\$ 21,960	\$ 22,399	\$ 22,847	\$ 23,304	\$ 23,770	\$ 24,246	\$ 24,731	\$ 25,225	\$ 25,730
Vacancy/Collection Loss	\$ (158,263)	\$ (161,428)	\$ (164,657)	\$ (167,950)	\$ (171,309)	\$ (174,735)	\$ (178,230)	\$ (181,794)	\$ (185,430)	\$ (189,139)	\$ (192,921)	\$ (196,780)	\$ (200,715)	\$ (204,730)	\$ (208,824)
EFFECTIVE GROSS INCOME	\$ 2,102,633	\$ 2,144,686	\$ 2,187,580	\$ 2,231,331	\$ 2,275,958	\$ 2,321,477	\$ 2,367,907	\$ 2,415,265	\$ 2,463,570	\$ 2,512,841	\$ 2,563,098	\$ 2,614,360	\$ 2,666,647	\$ 2,719,980	\$ 2,774,380
Annual Operating Costs	\$ (921,142)	\$ (948,776)	\$ (977,240)	\$ (1,006,557)	\$ (1,036,753)	\$ (1,067,856)	\$ (1,099,892)	\$ (1,132,888)	\$ (1,166,875)	\$ (1,201,881)	\$ (1,237,938)	\$ (1,275,076)	\$ (1,313,328)	\$ (1,352,728)	\$ (1,393,310)
Property Taxes	\$ (136,500)	\$ (140,595)	\$ (144,813)	\$ (149,157)	\$ (153,652)	\$ (158,241)	\$ (162,988)	\$ (167,878)	\$ (172,914)	\$ (178,102)	\$ (183,445)	\$ (188,948)	\$ (194,616)	\$ (200,455)	\$ (206,468)
Replacement Reserve	\$ (58,500)	\$ (60,255)	\$ (62,065)	\$ (63,925)	\$ (65,842)	\$ (67,818)	\$ (69,852)	\$ (71,948)	\$ (74,106)	\$ (76,329)	\$ (78,619)	\$ (80,978)	\$ (83,407)	\$ (85,909)	\$ (88,486)
TOTAL OPERATING COSTS	\$ (1,116,142)	\$ (1,149,626)	\$ (1,184,115)	\$ (1,219,638)	\$ (1,256,228)	\$ (1,293,914)	\$ (1,332,732)	\$ (1,372,714)	\$ (1,413,895)	\$ (1,456,312)	\$ (1,500,002)	\$ (1,545,002)	\$ (1,591,352)	\$ (1,639,092)	\$ (1,688,265)
NET OPERATING INCOME	\$ 986,491	\$ 995,060	\$ 1,003,465	\$ 1,011,693	\$ 1,019,730	\$ 1,027,563	\$ 1,035,175	\$ 1,042,551	\$ 1,049,675	\$ 1,056,529	\$ 1,063,097	\$ 1,069,359	\$ 1,075,296	\$ 1,080,888	\$ 1,086,115
Debt Service: Permanent Mortgage	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)	\$ (743,862)
Debt Service: Orange County Trust Funds	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)	\$ (110,375)
Debt Service: SAIL	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)	\$ (70,000)
Debt Service: ELI SAIL	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)	\$ (6,000)
OCHFA Admin Fees	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)	\$ (42,000)
CASH FLOW	\$ 14,255	\$ 22,823	\$ 31,228	\$ 39,457	\$ 47,494	\$ 55,326	\$ 62,938	\$ 70,315	\$ 77,439	\$ 84,293	\$ 90,861	\$ 97,122	\$ 103,060	\$ 108,652	\$ 113,879
CUMULATIVE CASH FLOW	\$ 14,255	\$ 37,079	\$ 68,307	\$ 107,764	\$ 155,258	\$ 210,584	\$ 273,522	\$ 343,837	\$ 421,276	\$ 505,569	\$ 596,429	\$ 693,552	\$ 796,611	\$ 905,263	\$ 1,019,142
DSC: 1st Mortgage	1.33	1.34	1.35	1.36	1.37	1.38	1.39	1.40	1.41	1.42	1.43	1.44	1.45	1.45	1.46
DSC: Blended	1.01	1.02	1.03	1.04	1.05	1.06	1.06	1.07	1.08	1.09	1.09	1.10	1.11	1.11	1.12

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 (Southwick Apartments)
DATE:	September 15, 2022

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 Southwick Commons is Southwick Commons, Ltd. The primary contact person for Southwick Commons, Ltd is Jonathan Wolf of Wendover Housing Partners LLC; a privately held real estate development, investment and management company based in Altamonte Springs, Florida. Wendover has developed multiple affordable housing communities across Florida as well as the Southeast.

Southwick Commons is a proposed new construction multifamily development on an approximate 16-acre property to be located approximately 175 feet southeast of the intersection of E 6th St. and Alabama Avenue, Apopka, Florida in Orange County. The new construction affordable rental community is planned to consist of a total of 195 apartment units. The sponsors have proposed that Orange County Housing Finance Authority issue up to \$26,300,000 of multifamily housing revenue bonds.

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. The rent levels are expected to be set such that the average housing income is less than 60% of the Area Median Income (AMI), while allowing for some units at 80% AMI, and other units significantly subsidized with either FMR or ACC vouchers. It is expected that the development will contain 58 units 1-bedroom units, 98 2-bedroom units, and 39 3-bedroom units.

The tax-exempt mortgage revenue bonds are expected to be issued in the not-to-exceed amount of \$26,300,000. The bonds are expected to be privately placed with JP Morgan and are not expected to be rated by any rating agency. The applicant has yet to designate a firm as its bond underwriter/placement agent, but such firm will be subject to the approval of Orange County Housing Finance Authority. The bonds will meet all 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) JP Morgan first mortgage of \$26,300,000 paying down to \$14,000,000 after construction,
- (b) Federal tax credit equity in the expected amount of between \$20,603,903 to \$22,445,895,
- (c) Deferred developer fees in the expected amount of between \$1,599,714 to \$3,441,706,
- (d) SAIL loan from Florida Housing of \$7,000,000,
- (e) Orange County trust funds of \$2,000,000,
- (f) National Housing Trust Fund monies of \$989,000, and
- (g) ELI loan from Florida Housing of \$600,000.

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 \$48,634,609.

Equity

The tax credits are anticipated to be purchased by the National Equity Fund as tax credit syndicator 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

10/16/21 APPROVED BY: *Chen*
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

DATE: September 13, 2021

RE:

CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION FOR MULTI-FAMILY TAX-EXEMPT BONDS APPLICATION, SUBMITTED BY SOUTHWICK COMMONS, LTD., FOR NEW CONSTRUCTION OF THE PROPOSED SOUTHWICK COMMONS APARTMENTS, IN AN AMOUNT, NOT-TO-EXCEED \$26,300,000. OCTOBER 6, 2021 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On August 30, 2021, the Authority received a proposal for the Southwick Commons Apartments under the 2021 Open Cycle Allocation Process, submitted by Southwick Commons, Ltd. The Developer is Wendover Housing Partners, LLC. 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.

CURRENT

The proposal is for the construction of a 195-unit community. The community will offer one, two and three bedroom units. The proposed development is located at 461 E. 7th Street, Apopka – Orange County (Region 14). The proposed development will consist of fifty-eight (58) 1-bd/1-ba; ninety-eight (98) 2-bd/2-ba; and thirty-nine (39) 3-bd/2-ba, with rents ranging from \$264 – \$1,493 per month. This proposed development will set-aside 77% of the units for families that earn 60% or less of the Area Median Income (AMI), by utilizing Income Averaging (IA), the proposed development will be supported by Project Based Section-8 Voucher Program, with an average AMI of 80%.

The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of \$26.3MM. The bonds will be a Private Placement via a direct purchase securitization of the bonds by JP Morgan Chase and will be unrated. The structure involves tax-exempt bonds in the amount of an estimated \$26.3MM, with 4% Tax-Credits of approximately \$22,445,895MM. At construction completion (24-months), the bonds will be paid down to 14MM, at conversion to permanent. The projected interest rate is 2.65%. The debt coverage ratio for the proposed development is 1.39, 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 #2021-10 and supporting information.

<u>CONSTRUCTION SOURCES</u>	
\$ 26,300,000	OCHFA
\$ 989,000	National Housing Trust Fund
\$ 2,000,000	Orange County Housing Trust Fund
\$ 7,000,000	SAIL
\$ 600,000	ELI SAIL
\$ 6,594,633	Deferred Developer Fee
\$ 5,150,976	LHHC Equity
\$48,634,609.00	TOTAL SOURCES

ACTION REQUESTED

Board approval of the Reimbursement Resolution (#2021-10) for Multi-Family Tax-Exempt Bonds, for new construction of the proposed Southwick Commons Apartments, not-to-exceed \$26.3MM; 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. 2021-10

**A RESOLUTION DECLARING THE OFFICIAL INTENT OF
THE ORANGE COUNTY HOUSING FINANCE
AUTHORITY TO REIMBURSE ITSELF AND/OR
SOUTHWICK COMMONS, LTD. 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 Southwick Commons, Ltd. (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 and equipping of rental housing for persons of low, middle, and moderate income in Orange County, Florida, constitutes a public purpose;
 - (d) A multifamily housing project consisting of 195 units, to be located approximately 175 feet southeast of the intersection of E 6th St. and Alabama Ave., Apopka, Florida to be acquired, constructed and equipped by the Owner, to be known as Southwick Commons (the "Development"), will assist in alleviating the shortage of rental housing for residents of Orange County who are 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 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 \$26,300,000.

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 \$26,300,000 in tax-exempt financing for the Development in order to maintain rental units for persons who are 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

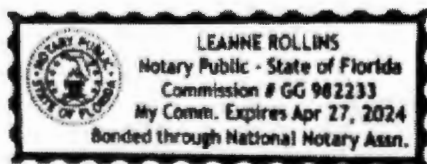
Rose Williams

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

7280482

**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 \$26,300,000 Multifamily
Housing Revenue Bonds, Series (to
be designated) (Southwick Commons
Apartments) (the "Bonds"). The
proceeds of the Bonds would be used
to finance the acquisition, construction
and equipping of the residential rental
project listed below for persons who
are of low, middle and moderate
income:

PROJECT/LOCATION
Southwick Commons Apartments
461 E. 7th Street
Apopka, Florida 32703

NO. OF UNITS
195

OWNER
Southwick Commons, Ltd.

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

TIME AND DATE
11:30 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 7280482

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: Southwick Commons Apartments **Date:** September 12, 2022 **Time:** 11:30 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 Representative

PRESENT

MEETING OPENED: Mildred Guzman, Program Operations Administrator, opened the meeting for comments at 11:30 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 \$26,300,000, for the financing, acquisition construction and equipping of a proposed project – Southwick Commons Apartments – a residential rental community, consisting of 195-units; to be located at 461 E. 7th Street, Apopka, 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 12:00 Noon.

