

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

BOARD OF DIRECTORS:

MARSHALL SIPLIN
CHAIRMAN

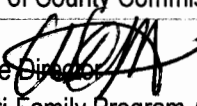
MERCEDES MCCALL
VICE CHAIRMAN

CLEMENTE CUEVAS
BOARD MEMBER

VERNICE ATKINS-BRADLEY
BOARD MEMBER

SASCHA RIZZO
BOARD MEMBER

TO: Mayor Teresa Jacobs
and
Orange County Board of County Commissioners

FROM: W.D. Morris, Executive Director 

CONTACT: Mildred Guzman, Multi-Family Program Administrator
Orange County Housing Finance Authority
407-894-0014, Ext. 310

DATE: February 9, 2017

RE: APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF MULTI FAMILY HOUSING MORTGAGE REVENUE BONDS, TO FINANCE THE ACQUISITION AND REHABILITATION OF CITRUS SQUARE APARTMENTS, A PROPOSED DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 3, IN AN AMOUNT NOT TO EXCEED \$6,000,000.

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING
MARCH 7, 2017 - 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 multifamily housing developments require approval by the Orange County Housing Finance Authority (OCHFA), and each governmental unit having jurisdiction over the area in which the bond financed facility will be located.

BACKGROUND

On November 7, 2016, The Authority received the Citrus Square Apartments proposal under the 2016 Open Cycle Allocation Process. 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. Once the Reimbursement Resolution is approved by the Board, staff will conduct a TEFRA hearing and engage Professionals and proceed with the underwriting process.

CURRENT

The applicant is Ovation Housing, LLLP, (a Florida Limited Liability Limited Partnership). The General Partner is Citrus RAD, LLC, a Non-profit and Wholly Owned Subsidiary of the Orlando Housing Authority (OHA). The Developer will be the Orlando Housing Authority; Ms. Vivian Bryant, Esq., is the CEO. The National Equity Fund will serve as the Tax-Credit Limited Partner, providing the tax-credit equity.

The proposal involves the acquisition and rehabilitation of 87-units of affordable multi-family housing. The community offers one, two, three and four bedroom units. The proposed development is located at 5625 Hickey Drive, in Orlando. The proposed development will consist of 9 1-bd/1-ba; 56 2-bd/1-ba; 18 3-bd/1-ba; and 4 4-bd/2-ba – with rents ranging from \$724 – \$1,207 per month. The set-asides are 100% at 60% Area Medium Income (AMI).

<u>PROJECT/LOCATION</u>	<u>DESCRIPTION OF PROJECT/NO. OF UNITS</u>	<u>OWNER</u>	<u>AMOUNT</u>
Citrus Square Apartments 5625 Hickey Drive, Orlando, Orange County, Florida	87 units on approximately 10.26 acres, in 46 one and two story duplex buildings, and related amenities	Ovation Housing LLLP., a Florida limited liability limited partnership.	\$6,000,000

The Tax-exempt bonds amount is \$5,893,354. The Total Development Cost (TDC) is estimated at \$10,587,483 to include Tax-Exempt Bonds, Tax Credit Equity and a Seller Note from OHA (during project development). The proposed structure will be an unrated Replacement Housing Factor loan (RHF); interest only at a fixed interest rate for 24-months and repaid at conversion to permanent by the infusing of the tax-credit equity. Once the conversion to permanent financing and receipt of additional tax-credit equity with the repayment of the bonds, the tax-credit equity will increase to \$3,518,570, with a permanent conventional loan of \$4,698,007. The proposed development debt coverage ratio is 1.19, exceeding the minimum threshold of 1.10.

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 Staff Report of the 1/04/2017 Board meeting
Attachment F	Proof of Publication of TEFRA Public Hearing and
Attachment G	TEFRA Public Hearing Minutes

The TEFRA public hearing was held on Wednesday, February 8, 2017, at 10:00 a.m., at the Orange County Administration Building on the third floor, Conference Room Legal "A". 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 BONDS, TO FINANCE THE ACQUISITION AND REHABILITATION OF CITRUS SQUARE APARTMENTS, A PROPOSED DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 3, IN AN AMOUNT NOT TO EXCEED \$6,000,000.

Attachments