



**ORANGE COUNTY
HOUSING FINANCE AUTHORITY**

MEMORANDUM

W.D. MORRIS
EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

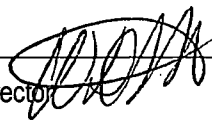
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BOARD MEMBER

ALBERT HANKS
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: May 27, 2021
	RE: APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF MULTI-FAMILY HOUSING MORTGAGE REVENUE BONDS, TO FINANCE THE ACQUISITION AND REHABILITATION OF MILL CREEK APARTMENTS, AN EXISTING DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 3, IN AN AMOUNT NOT-TO- EXCEED \$33,000,000. ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING June 22, 2021 - CONSENT AGENDA.

The Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") created a requirement that all industrial development bonds issued after December 31, 1982, for the purpose of financing multi-family housing developments require approval by the Orange County Housing Finance Authority (OCHFA), and each governmental unit having jurisdiction over the area in which the bond financed facility will be located.

BACKGROUND

On April 21, 2021, the Authority received a proposal for the Mill Creek Apartments under the 2021 Open Cycle Allocation Process, submitted by Mill Creek Apartments, 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 and US Bank will be the Trustee.

CURRENT

The proposal involves the acquisition, and rehabilitation of an existing 312 units community – Mill Creek Apartments. This proposed development will set-aside 100% of the units for families that earn 60% or less of the Area Median Income (AMI). The Multi-Family Mortgage Revenue Bonds (or tax-exempt loan) are proposed to be issued in the not-to-exceed amount of \$33,000,000. The bonds will be private placement with Freddie Mac (Berkadia Commercial Mortgage LLC) through FM's Tax-exempt Loan Program. Berkadia as the loan originator will perform its own underwriting of the transaction.

The bonds are to be interest only at a fixed rate during construction (18-24 months), then amortized on a 40 year schedule with a 15 year term and have a fixed rate to maturity. The debt coverage ratio for the proposed development is 1.10, which meets the Authority's 'Minimum Threshold Criteria' of 1.10.

PROJECT DESCRIPTION

Mill Creek Apartments is located at 5087 Commander Drive, Orlando, Orange County, Florida 32822 – District 3. This community offers one, two and three bedroom apartment units and consist of 96 1-bd/1-ba; 156 2-bd/2-ba; and 60 3-bd/2-ba, with rents ranging from \$859 – \$1,191 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 05/05/2021
- Attachment F Proof of Publication of TEFRA Public Hearing and
- Attachment G TEFRA Public Hearing Minutes

The TEFRA public hearing was held on Thursday, May 27, 2021 at 10:00 A.M., via Telephonic Conference Call. 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 MILLS CREEK APARTMENTS, A PROPOSED DEVELOPMENT IN ORANGE COUNTY, FLORIDA, DISTRICT 3, IN AN AMOUNT NOT-TO -EXCEED \$33,000,000.

Attachments