



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

APPROVED BY ORANGE
COUNTY BOARD OF COUNTY
COMMISSIONERS

BCC Mtg. Date: Mar. 1, 2016

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT AGENDA

MEMORANDUM

BOARD OF DIRECTORS:

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

FROM: W.D. Morris, Executive Director
Orange County Housing Finance Authority

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

DATE: February 1, 2016

SUBJECT: ORANGE COUNTY HOUSING FINANCE AUTHORITY - APPROVAL OF RESOLUTION FOR THE ISSUANCE OF MULTI FAMILY HOUSING REVENUE BONDS, TO FINANCE THE ACQUISITION AND REHABILITATION OF BUCHANAN BAY TOWNHOMES, IN ORANGE COUNTY, FLORIDA, DISTRICT 6, FOR AN ADDITIONAL AMOUNT NOT TO EXCEED \$4,000,000.

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING
MARCH 1, 2016 - 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:

At its Board meeting of December 15, 2015, the Orange County BCC approved a Resolution for an amount not to exceed \$16,000,000 for financing the acquisition and rehabilitation of a multifamily development, Buchanan Bay Townhomes, in Orange County; utilizing Mortgage Revenue Bonds.

CURRENT:

Subsequent to the board's action on December 15, 2015, the developer, Orlando Leased Housing Partners V, LLP (OLHP), is requesting an additional \$4MM in bonds. The increase in the bonds amount will allow for both the permanent Freddie Mac Tax-Exempt Loan and the construction loan to be financed on a tax-exempt basis. The approval on December 15, 2015, of \$16MM, only allows for the permanent Freddie Mac Tax-Exempt Loan to be financed on a tax-exempt basis. The borrower intended to utilize \$20MM for the project. The \$4MM of the construction loan was intended to be borrowed on a taxable basis with a bank loan.

OLHP engaged a new lender, Citi, for the financing of the development. Citi has the ability to act as both the construction lender and Freddie Mac, Seller Servicer for the transaction. The increase in the amount of tax-exempt bonds to \$20MM authorization will achieve greater efficiency in the transaction. A single series of bonds for the acquisition and construction of the development is a simpler and more cost effective financing structure. Additionally, the revised structure carries a lower overall interest rate because the construction loan is tax-exempt vs. taxable. The \$4MM for the construction loan will be paid off at construction completion with proceeds from the Tax Credits.

Enclosed for your information as Attachment H, is the original request for approval of the \$16mm and the BCC approved Resolution 2015-B-10, for \$16MM.

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 AProject Description and Location Map
- Attachment BRelated Financials
- Attachment CProforma
- Attachment DFinancial Advisor's Summary of Sales Method
- Attachment EOCHFA Staff Reports of the 01/06/2016 Board meeting
- Attachment FProof of Publication of TEFRA Public Hearing and
- Attachment GTEFRA Public Hearing Minutes
- Attachment H Agenda Item and Resolution approved by Orange County Board of County Commissioners on 12/15/2015.

The TEFRA hearing was held on Monday January 25, 2016, 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:

Board approval and execution of the Resolution for the issuance of Multi-Family Housing Revenue Bonds for an additional amount not-to-exceed \$4MM for the financing and rehabilitation of the proposed Multi-Family Development, Buchanan Bay Townhomes, in Orange County, Florida.

Attachments

cc: Warren S. Bloom, General Counsel, OCHFA
Joel D. Prinsell, Deputy County Attorney
Lila McHenry, Assistant County Attorney
Peggy McGarrity, Chief Deputy Comptroller
Eric Gassman, Chief Accountability Officer
Fred Winterkamp, Manager – Fiscal & Business
Agenda Development
Clerk to the Board of County Commissioners