



W.D. MORRIS
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MEMORANDUM

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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: July 15, 2016

RE: APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF
MULTI FAMILY HOUSING MORTGAGE REVENUE BONDS, TO FINANCE
THE ACQUISITION AND REHABILITATION OF LAKE WESTON POINT
APARTMENTS, A PROPOSED DEVELOPMENT IN UNINCORPORATED
ORANGE COUNTY, FLORIDA, DISTRICT 2, IN AN AMOUNT NOT TO EXCEED
\$13,000,000.

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS MEETING
August 2, 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

On May 18, 2016, the Authority received the Lake Weston Point 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. At its Board meeting of June 1, 2016, OCHFA's Board approved a Reimbursement Resolution for an amount not to exceed \$13MM to finance the acquisition and rehabilitation of the proposed development, Lake Weston Point Apartments, in unincorporated Orange County; utilizing Mortgage Revenue Bonds.

CURRENT

The applicant for Lake Weston Point Apartments is Lake Weston Preservation, LP, a Florida Limited Partnership. The General Partner is Picerne Investment Corporation LLC, a Florida corporation, and sole member of the general partner. The proposal involves the acquisition and rehabilitation of 240-units of existing affordable multi-family housing. The community will offer two, three and four bedroom units. The proposed development is located at 2201 Weston Point Dr. in Orlando.

The proposed transaction will utilize a short-term bond structure, whereby, the developer pays-off the bonds at permanent financing (1½ - 2-yrs), via HUD 223(f) loan for the first mortgage. The Authority will continue its monitoring and administration of the development through the Qualified Project Period of fifteen years (15-yrs), or as long as the Land Use Restrictions (LURA) are in place.

The Tax-exempt bonds amount is \$12.638MM. The Total Development Cost (TDC) is \$26,685,108 including Tax-Exempt Bonds, Tax Credit Equity is \$9,123,324 and Deferred Dev. Fee is \$1,505,971, with the payment of the bonds at permanent financing, reducing the total bond amount to zero (\$0); and a TDC of \$13,483,495. The developer is Picerne Development, LLC, Investment Banker, R.B.C Capital Markets. The proposed development debt coverage ratio is 1.20.

PROJECT DESCRIPTION

The proposed development will consist of fifty-six 2-bd/2-ba; one hundred-twenty 3-bd/2-ba and sixty-four 4-bd/3-ba – with rents ranging from \$394 - \$945 per month. The set-asides are 15% at 35% Area Medium Income (AMI) and 85% at 60% AMI.

PROJECT/LOCATION	DESCRIPTION / NO. OF UNITS	OWNER	AMOUNT
<u>Lake Weston Point Apartments</u> 2201 Weston Point Drive, Orlando in unincorporated Orange County, Florida, 32810	240 units on approximately 19.99 acres, garden-type construction, and related amenities	Lake Weston Preservation, L.P., a Florida limited partnership	\$13,000,000.00

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 6/01/2016 Board meeting
- Attachment F Proof of Publication of TEFRA Public Hearing and
- Attachment G TEFRA Public Hearing Minutes

The TEFRA hearing was held on Wednesday, July 13, 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

APPROVAL AND EXECUTION OF RESOLUTION FOR THE ISSUANCE OF MULTI FAMILY HOUSING MORTGAGE REVENUE BONDS, TO FINANCE THE ACQUISITION AND REHABILITATION OF LAKE WESTON POINT APARTMENTS, A PROPOSED DEVELOPMENT IN UNINCORPORATED ORANGE COUNTY, FLORIDA, DISTRICT 2, IN AN AMOUNT NOT TO EXCEED \$13,000,000.

Attachments