

ORANGE COUNTY HOUSING FINANCE AUTHORITY

BOARD OF DIRECTORS

M. McCALL | V. ATKINS-BRADLEY | S. RIZZO | C. HUNTER

OFFICIAL MEETING MINUTES

Meeting: Board of Directors Meeting **Date:** Wednesday, June 5, 2019 **Time:** 8:30am
Location: Orange County Administration Center – Commissioners Chambers – 1st Fl., 201 S. Rosalind Ave., Orlando, FL.

Board Members

PRESENT

Mercedes McCall
Chairman

Vernice Atkins-Bradley
Vice Chairman

Sascha Rizzo
Board Member

Curtis Hunter
Board Member

OCHFA Staff

PRESENT

W.D. Morris
Executive Director

Kayode Adetayo
Chief Financial Officer

Frantz Dutes
Director, Program Operations

Mildred Guzman
Staff

Olympia Roman
Staff

Rosalind Natal
Staff

Chaynae Price
Staff

Birva Parikh
Staff

OCHFA Professionals

PRESENT

Mike Watkins
General Counsel, Greenberg Traurig

Sylvia S. Penneys
Bond Counsel, Greenberg Traurig

David Jones
Financial Advisor, CSG Advisors

Helen H. Feinberg
Managing Underwriter, RBC Capital Markets

Tim Wranovix
Co-Managing Underwriter, Raymond James

James Audette
Trustee Services, US Bank Global Corp

BCC Staff

PRESENT

Lila McHenry
Assistant District Attorney

MEETING OPENED

There being a quorum, Madame Chairman, Mercedes McCall called the meeting to order at 8:30 a.m.

PUBLIC COMMENT(s)

No comment(s).

CONSENT AGENDA

ACTION TAKEN

There being no discussion, the Board approved Consent Agenda items.

MOTION / SECOND: V. Atkins-Bradley/ C. Hunter AYE BY VOICE VOTE: All Present NAY BY VOICE VOTE: ABSTAINED:

A. GENERAL ADMINISTRATION

1. Adoption of the May 1, 2019, Board of Directors Meeting minutes.

B. EXECUTIVE DIRECTOR'S OFFICE

C. FINANCIAL MANAGEMENT

1. Acknowledgement Summary of OCHFA's Operating Fund Investments. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2019, operating fund comparison of budget vs. actual; acknowledgement of FY 2019, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program.
2. Acknowledgement of the Multi-Family Audit Period April – May 2019.

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

CONSIDER APPROVAL OF BOND RESOLUTION AND ASSOCIATED DOCUMENTS, TERMS AND FINANCING OF MULTI-FAMILY TAX-EXEMPT BONDS, FOR CHAPEL TRACE APARTMENTS: NOT-TO-EXCEED \$34,000,000

W.D. Morris, Executive Director, addressed the board regarding consideration of the Bond Resolution (2019-01), associated documents, terms and financing of the multi-family tax-exempt bonds for the proposed Chapel Trace Apartments, not-to-exceed \$34MM. He stated that the proposed development is an acquisition and rehabilitation of an existing 312-unit community, submitted by Dominion Development I LLC, located in Region-14, Orange County. He also stated that the bond resolution amount is \$34MM; however the Credit Underwriting Report transaction amount is \$33,762,000; and that the total development cost of the proposed project is in excess of \$54MM.

Mr. Morris concluded by stating that all documents to be approved are available for review by Board Members at the office of the Authority; and have been prepared and/or reviewed by Staff, Financial Advisor, Bond Counsel and General Counsel; both its capacities as General and Disclosure Counsels'. Brief discussion ensued.

RESOLUTION 2019-01

RESOLUTION OF THE ORANGE COUNTY HOUSING FINANCE AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF ITS (i) ORANGE COUNTY HOUSING FINANCE AUTHORITY MULTIFAMILY HOUSING REVENUE NOTE (CHAPEL TRACE APARTMENTS), 2019 SERIES A-1 (THE "GOVERNMENTAL NOTE") AND (ii) ORANGE COUNTY HOUSING FINANCE AUTHORITY SUBORDINATE MULTIFAMILY HOUSING REVENUE NOTE (CHAPEL TRACE APARTMENTS), 2019 SERIES A-2 (THE "SUBORDINATE NOTE") IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$34,000,000; ESTABLISHING CRITERIA FOR DETERMINING THE TERMS THEREOF; AUTHORIZING THE NEGOTIATED SALE OF THE GOVERNMENTAL NOTE AND THE SUBORDINATE NOTE; APPROVING IN CONNECTION WITH THE GOVERNMENTAL NOTE THE FORMS OF AND AUTHORIZING THE EXECUTION OF A PROJECT LOAN AGREEMENT, A FUNDING LOAN AGREEMENT, A MULTIFAMILY MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT, AND AN ASSIGNMENT OF SECURITY INSTRUMENT; APPROVING THE FORMS OF A PROJECT NOTE, A GUARANTY OF RECOURSE OBLIGATIONS, AN ENVIRONMENTAL INDEMNITY, A GUARANTY OF OPERATING DEFICITS, A GUARANTY OF COMPLETION AND ALL EXHIBITS THERETO; APPROVING IN CONNECTION WITH THE SUBORDINATE NOTE THE FORMS OF AND AUTHORIZING THE EXECUTION OF A SUBORDINATE LOAN AGREEMENT AND AN ASSIGNMENT OF SUBORDINATE MORTGAGE AND LOAN DOCUMENTS; APPROVING AND AUTHORIZING IN CONNECTION WITH THE GOVERNMENTAL NOTE AND THE SUBORDINATE NOTE THE EXECUTION OF A LAND USE RESTRICTION AGREEMENT AND AN ARBITRAGE REBATE AGREEMENT, THE APPOINTMENT OF A FISCAL AGENT AND A REBATE ANALYST; AUTHORIZING THE CHAIR OR VICE CHAIR AND ANY OTHER AUTHORITY MEMBER TO TAKE ANY OTHER ACTIONS NECESSARY TO ISSUE THE GOVERNMENTAL NOTE AND THE SUBORDINATE NOTE AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

ACTION TAKEN

There being no further discussion, the Board approved Bond Resolution 2019-01, Underwriting Report, Terms and financing in an amount not-to-exceed \$34,000,000 for the Multi-Family Development Chapel Trace Apartments; and authorization for the Chairman, Board Member and Executive Director to execute all associated documents subject to General Counsel's review.

MOTION / SECOND: S. Rizzo/ V. Atkins-Bradley AYE VOTE: All Present NAY VOTE: _____ RECUSED/ ABSTAINED: _____

CONSIDER APPROVAL OF THE REIMBURSEMENT RESOLUTION AND ASSOCIATED DOCUMENTS, TERMS AND FINANCING OF MULTI-FAMILY TAX-EXEMPT BONDS, FOR THE PROPOSED BAPTIST TERRACE APARTMENTS: NOT-TO-EXCEED \$17,000,000

Mr. Morris, addressed the board regarding consideration of the Reimbursement Resolution (2019-02), associated documents, terms and financing of the multi-family tax-exempt bonds for the proposed Baptist Terrace Apartments, not-to-exceed \$17MM. He stated that the application was submitted under the Authority's 2019 Open Cycle Allocation Process and that the proposal involves the acquisition and rehabilitation of an existing Section-202 community (elderly housing development). He then stated that proposed project is located in downtown Orlando (414 E. Pine Street) consists of 197-units offering efficiencies and one bedroom units; with rents ranging from \$451-\$565 per month. He also explained that after acquisition, the proposed project would have a Housing Assistance Payment (HAP) contract and that gross rents for units would increase to HUD's Fair Market Rents and that the tenant portion of the rent would be determined based on 30% of tenants' monthly adjusted income.

Mr. Morris provided the Board with a brief overview of the proposed transaction to include a short-term bond structure, with tax-exempt bonds, 4% tax credit and a HUD FHA 223(f) permanent loan. He concluded by stating that the total development cost is \$33,872,549; rehabilitation is estimated to cost in-excess of \$8.5MM and that the Debt Service Coverage Ratio is at 1.17 – exceeding the Authority's required 1.10 threshold criteria.

RESOLUTION 2019-02

A RESOLUTION DECLARING THE OFFICIAL INTENT OF ORANGE COUNTY HOUSING FINANCE AUTHORITY TO REIMBURSE ITSELF AND/OR 414 EAST PINE STREET, LP, AN AFFILIATE OF THE ORLANDO NEIGHBORHOOD IMPROVEMENT CORPORATION, INC. FROM THE PROCEEDS OF DEBT FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO A CERTAIN MULTIFAMILY HOUSING PROJECT; AND AUTHORIZING CERTAIN INCIDENTAL ACTIONS.

ACTION TAKEN

There being no discussion, the Board approved Reimbursement Resolution 2019-02, for Multi-Family Tax-Exempt Bonds, for the acquisition and rehabilitation of the proposed Baptist Terrace Apartments, not-to-exceed \$17,000,000; 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.

MOTION / SECOND: V. Atkins-Bradley/ C. Hunter AYE VOTE: All Present NAY VOTE: _____ RECUSED/ ABSTAINED: _____

BOARD AUTHORIZATION TO CANCEL THE JULY 2019 REGULAR BOARD MEETING.

Mr. Morris, addressed the Board regarding consideration to cancel the Authority's July 2019 Board meeting as standard operation, unless otherwise needed, at the request of staff or the Board. Brief discussion ensued.

ACTION TAKEN

*There being no further discussion, the Board adopted, as a standard operating procedure, to cancel **the Authority's "regular" July monthly meeting(s) of its Board of Directors'**, unless otherwise requested at the behest of staff or the Board.*

MOTION / SECOND: S. Rizzo/ V. Atkins-Bradley AYE VOTE: All Present NAY VOTE: _____ RECUSED/ ABSTAINED: _____

OTHER BUSINESS

UPDATE – NALHFA ANNUAL EDUCATIONAL CONFERENCE

Mr. Morris provided the Board with a brief update/review regarding the recently attended NALHFA educational conference. He commented that the nation as a whole, is experiencing workforce housing issues and the future of affordable housing. Brief discussion ensued.

ADJOURNMENT

There being no further business, Madame Chairman Mercedes McCall, adjourned the meeting at 8:44 a.m.

ATTEST:

W.D. MORRIS
 EXECUTIVE DIRECTOR

MERCEDES F. McCALL
 CHAIRWOMAN

 END OF MINUTES PREPARED BY OLYMPIA ROMAN