

COMMUNICATION FROM VICE CHAIR, HOUSING COMMITTEE and RESOLUTION relative to authorization to issue up to \$7,479,629 in tax exempt Multi-Family Housing Revenue Bonds for the Broadway Villas Project, located at 9413-9425 South Spring Street, Los Angeles.

Recommendations for Council Action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. RECEIVE and FILE the Los Angeles Housing Department report and Resolution dated February 15, 2012, and revised Resolution submitted on March 8, 2012.
2. ADOPT the RESOLUTION attached to the Los Angeles Housing and Community Investment Department (HCIDLA) transmittal dated July 15, 2013 (attached to Council file [C.F.] No. 11-0054-S2) authorizing the issuance of up to \$7,479,629 in tax-exempt multi-family housing revenue bonds for the Broadway Villas Project, and APPROVE the related bond documents, subject to the approval of the City Attorney as to form.
3. AUTHORIZE the General Manager, HCIDLA, or designee, to:
 - a. Negotiate and execute the related bond documents, subject to the approval of the City Attorney as to form.
 - b. Increase the Affordable Housing Trust Fund loan for the Broadway Villas Project using HOME Investment Partnership Program funds in an amount not to exceed \$500,000.
 - c. Execute a Lease Agreement with the proposed limited partnership in the amount of one dollar (\$1.00) per year, for the Broadway Villas Project.
 - d. Prepare Controller instructions and any necessary technical adjustment(s), consistent with Mayor and Council actions, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement the instructions.
 - e. Request the Controller to allocate and expend HOME Investment Partnership funds from the following Fund and Account for the Broadway Villas Project:

<u>Project</u>	<u>Fund</u>	<u>Account</u>	<u>Name</u>	<u>Amount</u>
Broadway Villas	561/43	43J007	AHTF	\$500,000

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. Funding authority for the tax-exempt multi-family housing revenue bonds is provided by the California Debt Limit Allocation Committee. The borrower, AMCAL Broadway Fund, L.P, will pay all costs associated with the issuance of the bonds, and the City bears no financial responsibility for repayment. Approval of the recommendations will provide the Broadway Villas Project with funding to construct affordable housing for seniors. The recommendations are in accordance with the City's Debt Management Policy in that no City funds are being used to issue the bonds, and the proposed use of Affordable Housing Trust Fund/HOME Investment Partnerships Program loan financing has a public benefit to residents of the City that is sufficient to merit the City's participation in the financing.

Community Impact Statement: None submitted.

SUMMARY

At a regular meeting held on September 11, 2013, the Vice Chair of the Housing Committee considered: a transmittal and Resolution from the Los Angeles Housing Department (now known as the Los Angeles Housing and Community Investment Department [HCIDLA]) dated February 15, 2012, a revised Resolution submitted on March 8, 2012, a report from the HCIDLA dated August 5, 2013, and a report from the CAO dated September 10, 2013, relative to the issuance of up to \$7,479,629 in tax-exempt multi-family housing revenue bonds for the Broadway Villas Project located at 9413-9425 South Spring Street in Council District Eight, and a request for authorization to increase the Affordable Housing Trust Fund loan by \$500,000 for the project.

Representatives of the CAO and the HCIDLA provided a brief overview of the matter and responded to related questions from the Committee Vice Chair. The HCIDLA reported that the proposed Broadway Villas Project is a 49-unit senior building with space for a grocery store, and that it is a legacy project from the former Community Redevelopment Agency of Los Angeles. The project has been delayed since 2010, and due to cost increases since that time, the HCIDLA recommends increasing the HCIDLA loan by \$500,000 to cover the cost increases as well as executing a long-term lease with the developer, in addition to the issuance of the bonds. The CAO supports the recommendations by the HCIDLA.

After providing an opportunity for public comment, the Committee recommended that Council approve the recommendations in the CAO report and the Resolution attached to the HCIDLA report dated July 15, 2013, and receive and file the LAHD report and Resolution dated February 15, 2012 and the revised Resolution submitted on March 8, 2012. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

COUNCILMEMBER FELIPE FUENTES, VICE CHAIR
HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	ABSENT
FUENTES:	YES
WESSON:	ABSENT
BUSCAINO:	ABSENT
PRICE:	ABSENT

-NOT OFFICIAL UNTIL COUNCIL ACTS-