

MOTION

I MOVE that the Housing, Community and Economic Development Committee Report relative to approval to issue Letters of Commitment for Round 1 of the 2012 Affordable Housing Trust Fund (AHTF), and other actions related to the AHTF, Item no. 29 on today's Council Agenda (CF:11-1920) BE AMENDED to ADOPT the recommendations contained within the CAO report dated March 20, 2012 in lieu of those contained in the Committee report, as follows:

That the Mayor and Council:

1. Authorize the General Manager, Los Angeles Housing Department (LAHD), or designee, to:
 - A. Issue Letters of Commitment for the seven projects detailed below that were selected through Round 1 of the 2012 Affordable Housing Trust Fund (AHTF) Notice of Funding Availability (NOFA), subject to the condition that the project sponsors (except those projects which are otherwise fully funded) apply to the proposed leveraging source in the next available funding round and receive the full amount requested therein:

	<i>Project Name</i>	<i>Type</i>	<i>Units</i>	<i>C.D.</i>	<i>AHTF Amount</i>	<i>PBVs Awarded</i>
<i>Homeless Housing Projects</i>						
1	Day Street Apartments	Special Needs	46	2	\$1,745,082	21
2	New Pershing Apartments	Special Needs	69	9	3,500,000	52
3	Rosslyn Hotel	Special Needs	<u>264</u>	9	<u>8,138,435</u>	<u>93</u>
	Subtotal:		379		\$13,383,517	166
<i>At-Risk Projects</i>						
1	Banning Villa	At-Risk	90	15	\$1,500,000	N/A
<i>Affordable Housing Projects</i>						
1	Rio Vista	Family	87	1	\$2,542,354	N/A
2	Riverwalk at Reseda	Family	77	3	301,059	
3	Sage Park	Family	<u>90</u>	15	<u>3,473,070</u>	
	Subtotal:		254		\$6,316,483	
	TOTAL		723		\$21,200,000	166

- B. Negotiate and execute acquisition/predevelopment/construction/permanent loan agreement for each project identified in

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Recommendation 1A above that receives a funding award from their respective leveraging source (if applicable), subject to the satisfaction of all conditions and criteria stated in the AHTF application, the LAHD transmittal dated February 21, 2012 (C.F. 11-1920) and LAHD's Letters of Commitment, subject to approval by the City Attorney as to form;

- C. Execute subordination agreements for the projects identified in Recommendation 1A above wherein the City loan and regulatory agreements are subordinated to their respective conventional construction and permanent loans, subject to approval by the City Attorney as to form;
- D. Execute agreements allowing the transfer to and/or execution of the City loans by a limited partnership, to enable admittance of tax credit investors, subject to approval by the City Attorney as to form;
- E. Amend the AHTF Loan Agreements for the Las Margaritas (C.F. 08-2855), Normandie Terrace (09-2841), and Vendome Palms (07-3466-S1) projects to include funds committed by the Los Angeles Department of Water and Power (LADWP) for Sustainable Design and Economic Development in the amount of \$200,000 per project;
- F. Amend the AHTF commitment for the Tobias Terrace project (C.F. 10-1869) to include funds committed by LADWP for Sustainable Design and Economic Development in the amount of \$200,000 per project;
- G. Participate as a co-grantee with McCormack Baron Salazar (MBS) of State of California Housing and Community Development (HCD) Infill Infrastructure Grant (IIG) funds awarded June 30, 2009;
- H. Enter into negotiations with HCD, if necessary, in order to finalize the IIG budget, proposed accomplishments, or other related details for the grant agreement;
- I. Accept the IIG and receive deposits and/or reimbursements from the IIG Program up to \$15,094,990, and deposit the funds into the Fund and Account identified in Recommendation 2C below;
- J. Execute a grant agreement, any amendments thereto, and any other documents necessary between HCD and the City of Los Angeles for the disbursement of the IIG funds;
- K. Negotiate and execute IIG pre-development/construction/permanent loan agreements, separately or as part of the AHTF loan agreements, with MBS for each of the five phases of the Taylor Yard Transit Village development, including the Taylor Yard Apartments (Phase I) (C.F. 10-1869) and the Rio Vista Apartments (Phase II) (C.F.11-1920), subject to approval of the City Attorney as to form;

2. Authorize the City Controller to:

A. Allocate and expend funds from the following funds and accounts for the 2012 Round 1 AHTF NOFA projects:

<u>Project</u>	<u>Fund</u>	<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
Banning Villa Apts.	561	43H212	AHTF	\$1,500,000
Day Street Apts.	561	43H212	AHTF	1,745,082
New Pershing Apartments	561	43H212	AHTF	3,500,000
Rio Vista Apartments	561	43H212	AHTF	2,542,354
Riverwalk at Reseda	561	43H212	AHTF	301,059
Rosslyn Hotel	561	43H212	AHTF	8,138,435
Sage Park	561	43H212	AHTF	3,473,070
Total:				\$21,200,000

B. Establish a new interest bearing fund entitled "State HCD-IIG program" for the receipt and disbursements of the IIG in the amount of \$15,094,990.

C. Appropriate funds within the new Fund No. XXX (number to be assigned by the City Controller upon Mayor and Council approval of this recommendation), Department 43, for fiscal year 2011-12 as follows:

	<u>Fund</u>	<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
	XXX	43H854	HCD IIG – Taylor Yard	\$15,094,990

D. Expend funds in an amount not to exceed \$15,094,990 from the above Fund and Account, Department 43, upon proper written demand of the General Manager, LAHD, or designee;

E. Allocate and expend funds from the following funds and accounts for the LADWP-approved projects below, upon proper written demand of the General Manager, LAHD, or designee:

<u>Project</u>	<u>Fund</u>	<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
Las Margaritas	44G	43T215	LADWP	\$200,000
Normandie Terrace	44G	43T215	LADWP	200,000
Tobias Terrace	44G	43G215	LADWP	200,000
Vendome Palms	44G	43T215	LADWP	200,000
Total:				\$800,000

F. Use uncommitted funds from prior years' accounts within HOME Fund 561 first, before current year funds and accounts, as needed, to close out old accounts for projects related to the AHTF; and,

3. Authorize the LAHD General Manager, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and Council actions on these matters, subject to the approval of the City Administrative Officer, and authorize the Controller to implement these instructions.

PRESENTED BY: 
TONY CARDENAS
Councilmember, 6TH District

SECONDED BY: 

MARCH 20, 2012

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