

CITY OF LOS ANGELES
CALIFORNIA

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer



ANTONIO R. VILLARAIGOSA
MAYOR

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CITY CLERK

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When making inquiries relative to
this matter, please refer to the
Council File No.

August 1, 2012

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 12-0592,
at its meeting held July 27, 2012.



City Clerk
vm

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2012 JUL 27 PM 2:10
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2012 JUL 27 PM 2:08
CITY CLERK
BY _____
DEPUTY

FORTHWITH

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-0592

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE July 27, 2012

RE: AUTHORIZING THE LOS ANGELES HOUSING DEPARTMENT TO APPLY FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM

LAST DAY FOR MAYOR TO ACT AUG 06 2012
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED


*DISAPPROVED

*Transmit objections in writing pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL AUG 01 2012



MAYOR

BY _____
CITY CLERK
DEPUTY
2012 AUG - 1 PM 1:00
CITY CLERK'S OFFICE



Council Action

The City Council ADOPTED the following recommendation(s), contained in a COMMUNICATION FROM THE LOS ANGELES HOUSING DEPARTMENT (LAHD) which was WAIVED, pursuant to Council Rule 17, by the Chair of the Housing, Community and Economic Development Committee, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Controller to establish and appropriate a new account within the Mortgage Credit Certificate Fund 643 for FY 2012-13 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
43J401	MCC Program	\$115,000

2. EXPEND funds not to exceed \$115,000 from the above fund, as described above in Recommendation No. 1, and account upon proper written demand of the General Manager, or designee, on an as needed basis for costs associated with the Mortgage Credit Certificate (MCC) Program.
3. ADOPT the accompanying RESOLUTION, attached to the Council file, approving the MCC Program and authorizing the General Manager, LAHD, or designee, to apply for allocations of MCCs not to exceed a cumulative amount of \$30,000,000 from the California Debt Limit Allocation Committee (CDLAC).
4. AUTHORIZE the Controller to decrease previous year's appropriation account 430401, which is no longer needed within the Mortgage Credit Certificate Fee Fund No. 643/43 in the amount of \$100,250.71.
5. AUTHORIZE the General Manager, LAHD, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council actions, subject to the approval of the City Administrative Officer; and further AUTHORIZE the Controller to implement these instructions.

Council File No. 12-0592

ADOPTED

JUL 27 2012

LOS ANGELES CITY COUNCIL

TO THE MAYOR FORTHWITH

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES TO CONTINUE OPERATION OF A MORTGAGE CREDIT CERTIFICATE PROGRAM AND AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE FOR AN ALLOCATION FOR THE ISSUANCE OF MORTGAGE CREDIT CERTIFICATES IN AN AMOUNT NOT TO EXCEED \$30,000,000, AND AUTHORIZING THE GENERAL MANAGER OF THE LOS ANGELES HOUSING DEPARTMENT TO EXECUTE THE NECESSARY FORMS AND AGREEMENTS, INCLUDING A DEPOSIT CERTIFICATION FORM.

WHEREAS, there is a shortage of decent, safe and sanitary housing in the City of Los Angeles, particularly of housing affordable to first-time homebuyers, and the preservation and encouragement of homeownership is a vital component of the City's strategy for preserving and protecting its communities from forces of decline and disinvestment; and

WHEREAS, the City, in its adopted housing policies, has established the preservation and encouragement of homeownership opportunities, particularly for first-time homebuyers, as a major priority for the City of Los Angeles, and has determined that establishment and adoption of a mortgage credit certificate program is in the best interests of the City of Los Angeles, in furtherance of these adopted policies and priorities; and

WHEREAS, Section 25 of the Internal Revenue Code of 1986, as amended, (the "Code") permits and limits the amount of mortgage credit certificates that may be issued in a calendar year by entities within a state based on an allocation of state mortgage revenue bond authority, and, further, the Government Code requires a local agency to file an application for a portion of the state mortgage revenue bond and mortgage credit certificate authority according to the procedures and directions of the California Debt Limit Allocation Committee prior to the issuance of mortgage credit certificates; and

WHEREAS, the procedures established by the California Debt Limit Allocation Committee and adopted pursuant to Section 8869.84 of the Government Code require that participating entities such as the City deposit into escrow 1/2 of 1% of the amount of the allocation (not to exceed \$100,000) to be held as insurance that the allocation will be used, and establish certain fees, which must be paid by the City, and these funds are available from existing resources of the Los Angeles Housing Department.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOS ANGELES AS FOLLOWS:

The recitals hereinabove set forth are true and correct, and the Council so finds. This Resolution is being adopted pursuant to Chapters 1 through 5 of Part 5 of Division 31 of the Health and Safety Code of the State of California, as amended (the "Act"), Ordinance No. 173302 and the Charter of the City (the "Law").

The City of Los Angeles, for the purpose of meeting its housing goal of increasing and preserving homeownership, hereby determines to continue to operate a mortgage credit certificate program and declares its intent to issue mortgage credit certificates as authorized by the Code.

The City Council hereby approves and authorizes the General Manager of the Los Angeles Housing Department or his designee to execute the necessary agreements and declarations necessary to carry out this program.

Pursuant to the Act in accordance with the Law, the City hereby authorizes the General Manager or his designee to submit applications and other documents as may be required to the California Debt Limit Allocation Committee for an allocation in an amount not to exceed \$30,000,000 in mortgage credit certificate authority. The General Manager of the Los Angeles Housing Department is further authorized to expend a maximum of \$600, for each 2012 MCC application, to pay the CDLAC application fee. The Controller, upon proper demand of the Los Angeles Housing Department, shall provide a check in the amount of \$600 to accompany each 2012 application to CDLAC and shall post the required deposit fees with CDLAC in an amount not to exceed \$100,000 with respect to the program.

This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED BY THE CITY COUNCIL of the City of Los Angeles this 27th day of July, 2012 at Los Angeles, California.

I hereby certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting held JUL 27, 2012.

By: Veronica Warner
City Clerk, Deputy

(SEAL)

