

MOTION

TO CITY CLERK FOR PLACEMENT ON NEXT
REGULAR COUNCIL AGENDA TO BE POSTED

#55

The below named Sponsors have requested that the City of Los Angeles through the Housing + Community Investment Department (HCIDLA) issue Multifamily Housing Revenue Bonds to finance the acquisition and rehabilitation of three affordable housing developments as follows:

Project Name	Sponsor Name	Address	CD	Maximum Amount
Hancock Gardens Senior Apartments	Hancock Gardens Senior Housing LP	303 South Van Ness Avenue, Los Angeles, CA 90020	4	\$14,636,000
New Park Place Apartments	Abode Communities	2500 W 4th Street, Los Angeles, CA 90057	1	\$6,325,000
Viviendas del Valle	Viviendas del Valle, L.P.	13230 Bromont Avenue, Los Angeles, CA 91342; 14045 Oxnard Street, Los Angeles, CA 91401; and 7939 Reseda Boulevard, Los Angeles, CA 91335	2, 7, 12	\$12,650,000

The Sponsors have pledged to comply with all City and HCIDLA bond policies related to the work described in the attached staff reports including, but not limited to, payment of prevailing wages for labor, relocation requirements of existing tenants, and project monitoring with the HCIDLA. In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and as part of the bond issuance process, HCIDLA conducted the required public hearings on February 25, 2016. Notice of the public hearing was published on February 11, 2016. The HCIDLA is required to provide proof to the California Debt Limit Allocation Committee (CDLAC) that a TEFRA hearing has been conducted as part of the application process. The City is a conduit issuer and is required by federal law to review and approve all projects within its jurisdiction and conduct a public hearing. The bond debt is payable solely from revenues or other funds provided by the Sponsors. The City does not incur liability for repayment of the bonds. To allow the bonds to be incurred in accordance with CDLAC requirements, the Council should approve the minutes of the hearing and adopt the required Resolution (attached).

I THEREFORE MOVE that the City Council:

1. Instruct the City Clerk, in accordance with the TEFRA requirements to schedule and place on the next available City Council agenda, consideration of the results of the TEFRA public hearing for the Hancock Gardens, New Park Place, and Viviendas del Valle Apartments held on February 25, 2016, and
2. Adopt the attached TEFRA Resolution and minutes of the public hearing held in accordance with Section 142 of the Internal Revenue Code of 1986, as amended, and Section 147(f) of the Code setting the official intent of the City to issue conduit Multifamily Housing Revenue Bonds to finance the acquisition and rehabilitation of the above Projects. The sponsors have pledged to comply with all applicable City policies.

PRESENTED BY:


 FELIPE FUENTES
 Councilmember, 7th District

SECONDED BY:



MAR 22 2016


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ORIGINAL

RESOLUTION
CITY OF LOS ANGELES

A RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OF BONDS BY THE CITY OF LOS ANGELES TO FINANCE THE ACQUISITION, REHABILITATION, CONSTRUCTION OR EQUIPPING OF MULTIFAMILY RESIDENTIAL RENTAL PROJECTS LOCATED WITHIN THE CITY OF LOS ANGELES.

WHEREAS, the City of Los Angeles (the "City") is authorized, pursuant to Section 248, as amended, of the City Charter of the City and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (collectively, the "Law"), and in accordance with Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of California (the "Act"), to issue its revenue bonds for the purpose of providing financing for the acquisition, construction, rehabilitation and equipping of multifamily rental housing for persons and families of low or moderate income; and

WHEREAS, the City intends to issue for federal income tax purposes certain bonds (the "Bonds") to finance the acquisition, construction, rehabilitation and equipping of multifamily rental housing projects described in paragraph 6 hereof (the "Projects"); and

WHEREAS, the Projects are located wholly within the City; and

WHEREAS, it is in the public interest and for the public benefit that the City authorize the financing of the Projects, and it is within the powers of the City to provide for such financing and the issuance of the Bonds; and

WHEREAS, the interest on the Bonds may qualify for a federal tax exemption under Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, pursuant to the Code, Bonds are required to be approved, following a public hearing, by an elected representative of the issuer of the Bonds (or of the governmental unit on behalf of which the Bonds are issued) and an elected representative of the governmental unit having jurisdiction over the area in which the relevant Project is located; and

WHEREAS, this City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bonds within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City caused a notice to appear in the *Los Angeles Times*, which is a newspaper of general circulation in the City, on February 11, 2016, to the effect that a public hearing would be held with respect to the Projects on February 25, 2016 regarding the issuance of the Bonds; and

WHEREAS, the Los Angeles Housing and Community Investment Department held said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance of the Bonds; and

WHEREAS, the minutes of said hearing have been presented to this City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Los Angeles, as follows:

1. The recitals hereinabove set forth are true and correct, and this City Council so finds. This Resolution is being adopted pursuant to the Law and the Act.

2. Pursuant to and solely for purposes of Section 147(f) of the Code, the City Council hereby approves the issuance of the Bonds by the City in one or more series to finance the Projects pursuant to a plan of finance. It is intended that this Resolution constitute approval of the Bonds: (a) by the applicable elected representative of the issuer of the Bonds; and (b) by the applicable elected representative of the governmental unit having jurisdiction over the area in which the relevant Project is located, in accordance with said Section 147(f).

3. Pursuant to the Law and in accordance with the Act, the City hereby authorizes the Los Angeles Housing and Community Investment Department to proceed with a mortgage revenue bond program designed to provide housing within the City of Los Angeles for low- and moderate-income persons through the issuance of the Bonds for the Projects, in one or more series, pursuant to a plan of finance and in amounts not to exceed those specified in paragraph 6 hereof.

4. Notwithstanding anything to the contrary hereof, the City shall be under no obligation to issue any portion of the Bonds described in paragraph 6 hereof to be issued by the City for the Projects prior to review and approval by the City and the City Attorney of the documents, terms and conditions relating to such Bonds.

5. [Reserved].

6. The "Projects" referred to hereof is as follows:

Project Name	Address	#Units	Project Sponsor	Maximum Amount
Hancock Gardens Senior Apartments	303 South Van Ness Avenue, Los Angeles, CA 90020	66 (including 1 manager unit)	Hancock Gardens Senior Housing , L.P.	\$14,636,000
New Park Place Apartments	2500 W 4th Street, Los Angeles, CA 90057	49 (including 1 manager unit)	Abode Communities	\$6,325,000
Viviendas del Valle	13230 Bromont Avenue, Los Angeles, CA 91342; 14045 Oxnard Street, Los Angeles, CA 91401; and 7939 Reseda Boulevard, Los Angeles, CA 91335	100 (including 3 manager units and 41 market rate units)	Viviendas del Valle, L.P.	\$12,650,000

7. This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED this ___ day of _____, 2016 at Los Angeles, California.

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2016.

By _____

Title _____

TEFRA PUBLIC HEARING MEETING MINUTES
THURSDAY – FEBRUARY 25, 2016
10:00 AM
THE LOS ANGELES HOUSING CITY HALL
200 N SPRING STREET, CONFERENCE ROOM 2111-A
TIMOTHY ELLIOTT, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Hancock Gardens Senior Apartments, New Park Place Apartments, and Viviendas del Valle.

This meeting is called to order on Thursday, February 25, 2016 at 10:00 a.m. in Conference Room 2111-A of the Los Angeles City Hall.

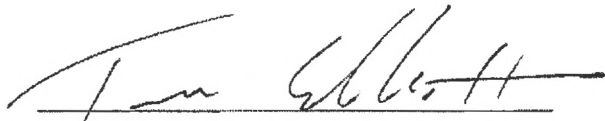
A notice of this hearing was published in the Los Angeles Times on February 11, 2016. The purpose of this meeting is to hear public comments regarding the subject Multifamily Revenue Bonds.

The City of Los Angeles Housing and Community Investment Department representatives present were Timothy Elliott and Carmen Erives.

The time is now 10:30 a.m. and seeing no other representatives from the public are present, this meeting is now adjourned.

I declare under penalty of perjury that this is a true and exact copy of the TEFRA hearing held for the above referenced project on February 25, 2016 at Los Angeles, California.

CITY OF LOS ANGELES
Los Angeles Housing and Community Investment Department
RUSHMORE D. CERVANTES, General Manager



Timothy Elliott, Manager
Affordable Housing Bond Program



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacity.org

**AFFORDABLE HOUSING BOND PROGRAM
TEFRA STAFF REPORT**

Hancock Gardens Senior Apts. – CD 4

BACKGROUND

HCIDLA evidenced the official intent of the City of Los Angeles (the “City”) to issue its tax-exempt revenue bonds (“Bonds”) and induced the project on September 30, 2015 in the principal amount of \$14,636,000. The project was induced pursuant to the authority granted to the HCIDLA General Manager by the City Council of the City of Los Angeles, by resolution of the City Council approved on April 20, 2005 (CF# 04-2646). Prior to the issuance of the bonds, HCIDLA shall submit for Mayoral and Council approval the final financial structure of the Bonds for this project.

PROJECT INFORMATION

The proposed development entails the acquisition and rehabilitation of an existing apartment building in order to continue to provide affordable housing for senior citizens. The project will include a project-based Section 8 Housing Assistance Payment (HAP) contract. The rehabilitation work will include: new carpeting, flooring, window coverings and fresh paint, new electrical and lighting fixtures, new doors and hardware, general repairs and significant life and safety upgrades. The project amenities include: a central laundry room, a community room with a kitchen, courtyard space, a community garden and 30 parking spaces.

The Sponsor is Hancock Gardens Senior Housing LP. The Managing General Partner is the Housing Corporation of America and the Administrative General Partner is Hancock Gardens Senior Housing LLC. The developer is Thomas Safran and Associates, Inc.

UNITS MIX

UNIT TYPE	50% AMI	60% AMI	MGR	TOTAL
1-Bdr.	13	52	1	66
Total	13	52	1	66

PREVAILING WAGES

The labor costs are subject to the higher of the State prevailing wages or City living wages for projects using tax-exempt bonds located within the City of Los Angeles. Federal Davis Bacon wages will apply when applicable.

FISCAL IMPACT STATEMENT

There will be no fiscal impact on the General Fund, as a result to the issuance of the bonds. The City is a conduit issuer and will not incur liability for repayment of the bonds. The bonds are a limited obligation payable strictly from revenue from the project. The City will not be obligated to make payments on the bonds.



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

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**AFFORDABLE HOUSING BOND PROGRAM
TEFRA STAFF REPORT**

New Park Place Apts. – CD 1

BACKGROUND

HCIDLA evidenced the official intent of the City of Los Angeles (the “City”) to issue its tax-exempt revenue bonds (“Bonds”) and induced the project on February 25, 2016 in the principal amount of \$6,325,000. The project was induced pursuant to the authority granted to the HCIDLA General Manager by the City Council of the City of Los Angeles, by resolution of the City Council approved on April 20, 2005 (CF# 04-2646). Prior to the issuance of the bonds, HCIDLA shall submit for Mayoral and Council approval the final financial structure of the Bonds for this project.

PROJECT INFORMATION

The proposed development entails the acquisition and rehabilitation of an existing apartment building in order to continue to provide affordable housing for seniors and families. The project has an existing HCIDLA Loan that will be recapitalized. The rehabilitation will focus on significant upgrades to the exterior and outdoor areas including: ADA/accessibility upgrades to units as well as outdoor walkways, energy efficient windows, parking structure upgrades, exterior paint, replacement of gutters/downspouts, and landscaping/irrigation upgrades.

The Sponsor is Abode Communities. The General Partner is Park Place Repurchase, LLC and the Limited Partner is to be determined. The developer is Abode Communities.

UNITS MIX

UNIT TYPE	35% AMI	50% AMI	60% AMI	MGR	TOTAL
2-Bdr.	7	1	5	0	13
3-Bdr.	15	1	19	1	36
Total	22	2	24	1	49

PREVAILING WAGES

The labor costs are subject to the higher of the State prevailing wages or City living wages for projects using tax-exempt bonds located within the City of Los Angeles. Federal Davis Bacon wages will apply when applicable.

FISCAL IMPACT STATEMENT

There will be no fiscal impact on the General Fund, as a result to the issuance of the bonds. The City is a conduit issuer and will not incur liability for repayment of the bonds. The bonds are a limited obligation payable strictly from revenue from the project. The City will not be obligated to make payments on the bonds.



Eric Garcetti, Mayor
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**AFFORDABLE HOUSING BOND PROGRAM
TEFRA STAFF REPORT**

Viviendas del Valle Apts. – CD 2, 7, 12

BACKGROUND

HCIDLA evidenced the official intent of the City of Los Angeles (the “City”) to issue its tax-exempt revenue bonds (“Bonds”) and induced the project on February 25, 2016 in the principal amount of \$12,650,000. The project was induced pursuant to the authority granted to the HCIDLA General Manager by the City Council of the City of Los Angeles, by resolution of the City Council approved on April 20, 2005 (CF# 04-2646). Prior to the issuance of the bonds, HCIDLA shall submit for Mayoral and Council approval the final financial structure of the Bonds for this project.

PROJECT INFORMATION

The proposed development entails the acquisition and rehabilitation of three existing apartment buildings in order to continue to provide affordable housing for families. The project has existing HCIDLA Loans that will be recapitalized. The rehabilitation will focus on capital improvements to prolong the life and quality of the overall property. All projects will receive accessibility improvements and energy upgrades to improve energy efficiency by at 10%. Some key aspects of the scope of work involve roof repair and replacement at Astoria Place. At Oxnard Villa, the courtyard will need to be upgraded and the roof, parking gate and asphalt will be repaired. A new seismic joint will be installed between the North and South buildings. Reseda Village will get a new roof. All three Properties will receive repairs or upgrades to their HVAC and domestic hot water systems.

The Sponsor is Viviendas del Valle, L.P. The General Partner is Viviendas del Valle GP, LLC and the Limited Partner is Abode Community Housing. The developer is Abode Communities.

UNITS MIX

UNIT TYPE	50% AMI	60% AMI	MARKET	MGR	TOTAL
2-Bdr.	12	3	10	1	26
3-Bdr.	30	8	28	2	68
4-Bdr.	2	1	2	0	5
5-Bdr.	0	0	1	0	1
Total	44	12	41	3	100

PREVAILING WAGES

The labor costs are subject to the higher of the State prevailing wages or City living wages for projects using tax-exempt bonds located within the City of Los Angeles. Federal Davis Bacon wages will apply when applicable.

FISCAL IMPACT STATEMENT

There will be no fiscal impact on the General Fund, as a result to the issuance of the bonds. The City is a conduit issuer and will not incur liability for repayment of the bonds. The bonds are a limited obligation payable strictly from revenue from the project. The City will not be obligated to make payments on the bonds.