

HOUSING COMMITTEE REPORT and RESOLUTION relative to authority to issue Tax-Exempt Multifamily Conduit Revenue Bonds in an amount up to \$25,000,000 for the McCadden Campus Senior Housing Project.

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

1. ADOPT the accompanying RESOLUTION authorizing the issuance, sale, and delivery of Tax-Exempt Multifamily Conduit Revenue Bonds, Series 2018K, in an amount not to exceed \$25,000,000 to provide financing for the acquisition, construction, and equipping of the McCadden Campus Senior Housing Project located at 1119 North McCadden Place.
2. AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to negotiate and execute the relevant bond documents for the Project, subject to the approval of the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there will be no impact to the General Fund as a result of the issuance of these Tax-Exempt Multifamily Conduit Revenue Bonds for the McCadden Campus Senior Housing Project. The City is a conduit issuer and does not incur liability for the repayment of the bonds, which are a limited obligation payable solely from the revenues of the McCadden Campus Senior Housing Project, and the City will in no way be obligated to make payments on the bonds.

Community Impact Statement: None submitted.

Summary:

On November 28, 2018, your Committee considered November 19, 2018 CAO and October 31, 2018 HCIDLA reports and Resolution relative to securing authority to issue Tax-Exempt Multifamily Conduit Revenue Bonds in an amount up to \$25,000,000 for the McCadden Campus Senior Housing Project. According to the CAO, the HCIDLA is requesting authority to issue tax-exempt multi-family housing conduit revenue bonds in an amount not to exceed \$25,000,000 to finance the construction of the affordable housing development known as the McCadden Campus Senior Housing Project. The HCIDLA indicates that the Project is the third and final phase of the Anita May Rosenstein Campus Project and it consists of the new construction of 97 units of affordable housing for seniors and one unrestricted manager unit. The subject site is located at 1119 N. McCadden Place, Los Angeles, CA 90038 in Council District 4.

The California Debt Limit Allocation Committee (CDLAC) awarded the tax-exempt bond allocation for the Project to the City on September 19, 2018 in an amount not to exceed \$25,000,000 and designated a March 18, 2019 issuance deadline. The CAO concurs with the recommendations of the HCIDLA and there is no impact to the General Fund. The City's involvement in the issuance of tax-exempt, multi-family housing conduit revenue bonds is considered true conduit financing, in which the obligation for repayment of the bonds is the responsibility of McCadden Plaza, L.P. and the City bears no financial responsibility for repayment as the issuer. There will be no impact to the General Fund. The financing is consistent with City policies regarding conduit financing. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the

recommendations contained in the November 19, 2018 CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

Scott

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
KREKORIAN:	YES
HARRIS-DAWSON:	ABSENT

ARL
11/28/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-