

MOTION

25

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 affordable housing developments as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Dudley Oaks	2119-2127 South Oak Street Los Angeles, CA 90007	20 (including 1 manager unit)	Dudley Oaks Apartments LP	\$6,778,836
Rolland Curtis West	1077 West 38th Street Los Angeles, CA 90037	70 (including 1 manager unit)	Rolland Curtis West, L.P.	\$26,300,000


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 August 4, 2016. Notice of the public hearing was published on July 21, 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).

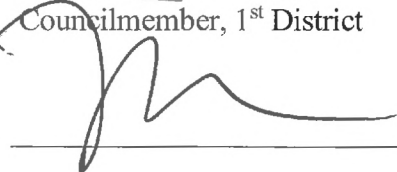
I THEREFORE MOVE that the City Council adopt the attached Resolutions and minutes of the public hearing held in accordance with Section 142 of the Internal Revenue Code of 1986, as amended, and Section 147(f) of the Code setting the official intent of the City to issue Multifamily Housing Revenue Bonds in the amount not to exceed \$6,778,836 for Dudley Oaks and \$26,300,000 for Rolland Curtis West.

PRESENTED BY:



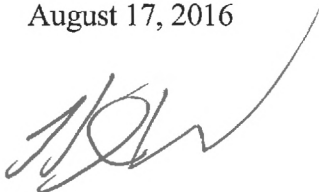
GILBERTA. CEDILLO
Councilmember, 1st District

SECONDED BY:



ORIGINAL

August 17, 2016



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") the proceeds of which will be used to finance the acquisition, construction, rehabilitation and equipping of multifamily rental housing projects described in paragraph 5 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 July 21, 2016, to the effect that a public hearing would be held with respect to the Projects on August 4, 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 5 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 5 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. The "Projects" referred to hereof is as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Dudley Oaks	2119-2127 South Oak Street Los Angeles, CA 90007	20 (including 1 manager unit)	Dudley Oaks Apartments LP	\$6,778,836
Rolland Curtis West	1077 West 38th Street Los Angeles, CA 90037	70 (including 1 manager unit)	Rolland Curtis West, L.P.	\$26,300,000

6. 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 _____



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
hcidia.lacity.org

**AFFORDABLE HOUSING BOND PROGRAM
TEFRA STAFF REPORT**

Dudley Oaks Apartments – CD 1

BACKGROUND

HCIDLA evidenced the official intent of the City of Los Angeles (City) to issue its tax-exempt revenue bonds (Bonds) and induced the project on July 15, 2016 in the principal amount of \$6,778,836. The project was induced pursuant to the authority granted to the HCID 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, HCID 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 substantial rehabilitation of an existing 20-unit apartment building. The Project currently benefits from an existing project-based Section 8 HAP contract on 20 units. The contract is currently set to expire January 31, 2018. Upon acquisition, the Section 8 contract will be renewed for a period of 20 years. The rehabilitation work will include: repairs to the building exterior and interiors, structural upgrades, and mechanical system upgrades. Common area renovations will include new electrical fixtures, new doors, and security cameras.

The Sponsor is Dudley Oaks Apartments LP. The Project Sponsor intends to acquire and substantially rehabilitate the Project using proceeds from sale of the requested bonds, as well as proceeds from “sale” of the 4% low income housing tax credits, among other sources of financing. The developer is Thomas Safran and Associates, Inc.

Units Mix:

UNIT TYPE	50% AMI	60% AMI	MGR	TOTAL
1-Bdr.	1	4		5
2-Bdr.	1	13	1	15
Total	2	17	1	20

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.



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Eric Garcetti, Mayor
 Rushmore D. Cervantes, General Manager

**AFFORDABLE HOUSING BOND PROGRAM
 TEFRA STAFF REPORT**

Rolland Curtis West – CD 8

BACKGROUND

The Los Angeles Housing + Community Investment Department (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 December 23, 2015 in the anticipated principal amount of up to \$26,300,000. The project will be 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 project located at 1077 W 38th Street, Los Angeles 90037 entails new construction of seventy residential units consisting of 7 one-bedroom units, 39 two- bedroom units including the manager’s unit, and 24 three-bedroom units. Project amenities will include a central open space on the podium level containing benches, tables and chairs, walking paths, community kitchen, tot-lot and a community garden. Roof decks will serve as second outdoor community rooms, with space for gardening. All residential floors will have shared laundry rooms. The building will provide 57 parking and 70 bike spaces. The project will be made available to mixed population comprised of homeless veterans and developmentally disabled individuals and homeless and low income seniors, individuals or small families with income at 30% and 40% area median income. Ten units will be assisted through the Department of Housing Services, and nineteen will be assisted through VASH.

The Project Sponsor is Rolland Curtis West, L.P. Currently Rolland Curtis West, LLC is the General Partner but will be renamed to Rolland Curtis West GP, LLC. Abode Community Housing will be the temporary limited partner until construction closing at which point a TBD low income housing equity investor will be admitted into the partnership.

Units Mix:

UNIT TYPE	30% AMI	35% AMI	50%AMI	60% AMI	MGR	TOTAL
1-Bdr.	3	2	2			7
2-Bdr.	9	5	14	10	1	39
3-Bdr.	6	2	5	11		24
Total	18	9	21	21	1	70

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 impact on the City’s General Fund related to the issuance of the bonds. The City is a conduit issuer of the tax-exempt bonds. The bond debt is payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the bonds.

TEFRA PUBLIC HEARING MEETING MINUTES
THURSDAY – AUGUST 4, 2016
10:00 AM
THE LOS ANGELES
HOUSING + COMMUNITY INVESTMENT DEPARTMENT
1200 W 7TH STREET, ROOM 833
TIMOTHY ELLIOTT, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Dudley Oaks, Gilbert Lindsay, and Rolland Curtis West Apartments Projects.

This meeting is called to order on Thursday, August 4, 2016 at 10:00 a.m. in Room 833 of the Los Angeles Housing + Community Investment Department.

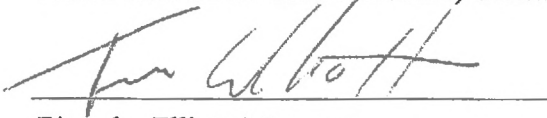
A notice of this hearing was published in the Los Angeles Times on July 21, 2016. The purpose of this meeting is to hear public comments regarding the subject Multifamily Revenue Bonds.

The City of Los Angeles Housing + Community Investment Department representatives present were Timothy Elliott, Bruce Ortiz, Lemono Lott, Steven Brady, and Carmen Velazquez.

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 August 4, 2016 at Los Angeles, California.

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



Timothy Elliott, Manager
Affordable Housing Bond Program