

MOTION

POST ON NEXT
REGULAR COUNCIL AGENDA TO BE POSTED
#54

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 affordable housing developments as follows:

Project Name:	Address:	#Units:	Project Sponsor:	Maximum Amount:
Rampart Mint	252 S Rampart Blvd, Los Angeles, CA 90057	23 (including 1 manager unit)	252 Rampart Apartments, L.P.	\$7,750,000
Jordan Downs Phase 1B	2060-2390 E Century Blvd, Los Angeles, CA 90002	135 (including 1 manager unit)	Jordan Downs Phase 1B, LP	\$40,000,000

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 December 27, 2016. Notice of the public hearing was published on December 13, 2016. 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 Sponsor. The City does not incur liability for repayment of the bond. To allow the bond 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 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 Multifamily Housing Revenue Bonds in the aggregate amount not to exceed \$7,750,000 for the Rampart Mint Project (CD 13) and \$40,000,000 for the Jordan Downs Phase 1B (CD 15) projects. The Sponsors have pledged to comply with all applicable City policies.

PRESENTED BY: 
MITCH O'FARRELL
Councilmember, 13th District

SECONDED BY: 

ORIGINAL

JAN 11 2017

January 11, 2016

crm



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 OR NOTES 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 or notes 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 notes or 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 December 13, 2016, to the effect that a public hearing would be held with respect to the Projects on December 27, 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:
Rampart Mint	252 S. Rampart Blvd., Los Angeles, CA 90057	23 (including 1 manager unit)	252 Rampart Apartments, L.P.	\$7,750,000
Jordan Downs Phase 1B	2060-2390 E. Century Boulevard, Los Angeles, CA 90002	135 (including 1 manager unit)	Jordan Downs Phase 1B, LP	\$40,000,000

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

PASSED AND ADOPTED this _____ day of _____, 2017 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 _____, 2017.

By _____
Title _____

TEFRA PUBLIC HEARING MEETING MINUTES
MONDAY – DECEMBER 27, 2016
10:00 AM
THE LOS ANGELES
HOUSING + COMMUNITY INVESTMENT DEPARTMENT
1200 W 7TH STREET, ROOM 801
MAGDALINA ZAKARYAN, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Rampart Mint and Jordan Downs Phase 1B Apartments Projects.

This meeting is called to order on Monday, December 27, 2016 at 10:00 a.m. in Room 801 of the Los Angeles Housing + Community Investment Department.

A notice of this hearing was published in the Los Angeles Times on December 13, 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 Magdalina Zakaryan, Carmen Velazquez, and Lara Tashjian.

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 December 27, 2016 at Los Angeles, California.

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



Magdalina Zakaryan, Supervisor
Affordable Housing Bond Program



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
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**AFFORDABLE HOUSING BOND PROGRAM
TEFRA STAFF REPORT**

Rampart Mint – CD 13

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 May 9, 2016 in the anticipated principal amount of up to \$7,750,000. 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 subject site is located at 252 S. Rampart, Los Angeles, CA 90057 in Council District 13. An abandoned and vacant single family home is currently located at the site. The proposal entails lease, demolition and new construction. When completed, the 6-story building will provide permanent supportive housing for homeless individuals with disabilities. Fifty percent of the units will be reserved for chronically homeless and 10 of the units will be reserved for people with HIV/AIDS related symptoms. Some of the amenities will include: a community room, manager’s office, two social service offices, a lobby, parking, computer area, and laundry room.

The proposed Sponsor/Borrower is 252 Rampart Apartments, L.P., a California limited partnership, which includes West Hollywood Community Housing Corporation (WHCHC), a California non profit corporation, its managing general partner, Affordable Living for the Aging (ALA), a 501(c)(3) California non profit corporation, its administrative general partner, and Restore Neighborhoods LA, Inc. (RNLA), a 501(c)(3) California non-profit corporation, its initial limited partner.

Units Mix:

UNIT TYPE	30% AMI	Mgr.	TOTAL
Studio	22		22
Mgr.		1	1
TOTAL	22	1	23

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.



Los Angeles
HOUSING+COMMUNITY
 Investment Department

Housing Development Bureau

1200 West 7th Street, Los Angeles, CA 90017

tel 213.808.8638 | fax 213.808.8610

hcid@lacity.org



Eric Garcetti, Mayor

Rushmore D. Cervantes, General Manager

**AFFORDABLE HOUSING BOND PROGRAM
 TEFRA STAFF REPORT**

Jordan Downs 1B – CD 15

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 October 19, 2016 in the anticipated principal amount of up to \$40,000,000. 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 subject site is located at 2060-2390 E. Century Boulevard, Los Angeles, CA 90002 in Council District 15. Jordan Downs Phase 1B is part of the initial phase of the redevelopment of the existing 699 units Jordan Downs public housing development, which will result in the complete demolition and replacement of the public housing units within a redesigned mixed income community of approximately 1,400 replacement, affordable and market rate rental and homeownership units. Phase 1B will be developed on currently vacant land owned by the Housing Authority of the City of Los Angeles (HACLA), which will be ground leased to Jordan Downs Phase 1B L.P. Project will consist of 135 residential units on 4.22 acres, consisting of three story townhouse and walk-ups. Site amenities will include 113 surface parking spaces (including 8 handicap spaces), playground, on-site manager, and security cameras, subsidized by 38 RAD vouchers, 47 project based vouchers, 13 subsidized units, and 37 tax credit-only units to provide a mixture of incomes. Unit amenities will include central air, blinds, carpet, coat closet, walk-in closet, patio/balcony, refrigerator, stove/oven, dishwasher, disposal, and washer/dryer.

The proposed Sponsor/Borrower is Jordan Downs Phase 1B, L.P., a California limited partnership, which includes Jordan Downs Phase 1B-Michaels LLC (JD1BM), a California limited liability corporation, its managing general partner, Michael Levitt, sole member

Units Mix:

UNIT TYPE	30% AMI	40% AMI	50% AMI	60% AMI	Mgr.	TOTAL
1-Bdr.	10	4	2	0		16
2-Bdr.	17	15	12	24	1	69
3-Bdr.	6	9	11	12		38
4-Bdr.	2	2	3	0		7
5-Bdr.	1	3	1	0		5
TOTAL	36	33	29	36	1	135

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.