

MOTION

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

#52

Hope on Alvarado, LP, a California Limited Partnership in agreement with Foundation for Affordable Housing, is requesting that the California Public Finance Authority (CPFA) issue one or more series of revenue bonds in an aggregate principal not to exceed twenty million dollars (\$20,000,000) to assist in the financing and construction of an up to 90- unit affordable rental housing property (Project). The Project involves the financing of the acquisition of land and construction up to 90 units of open plan studio and one bedroom units, including one manager's unit, for low income tenants at 166 South Alvarado Street.

The units will be constructed in cooperation with the Foundation for Affordable Housing, a California not-for-profit. Hope on Alvarado has purchased the land required for the project and is preparing to order prefabricated units to assemble on-site for the Project. All units will be subject to a Master Land Use Covenant restricting units to Low Income and Moderate-Income tenants, as defined by HUD, and as determined by the State Density Bonus Law. The Project will be funded primarily through tax exempt bonds to be issued by the CPFA, as well as 4% Federal low income housing tax credits. No City funds will be directed toward the Project.

In a Regulatory Agreement with the City, the sponsors will affirm that (a) the rental housing project will comply with the Americans with Disabilities Act, 42 U.S.C. Section 12101 et seq. and the 2010 ADA Standards, Chapter 11A of Title 24 of the California Code of Regulations, Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act of 1968 and the California Building Codes, (b) the sponsors will not discriminate in its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability, and (c) the sponsors will provide reasonable accommodation upon request to ensure equal access and effective communication to its programs, services and activities.

I THEREFORE MOVE that the Council waive the Multifamily Bond policy and designate the California Public Finance Authority (CPFA) to issue bonds not to exceed \$20,000,000 to provide financing for the Hope on Alvarado Project located at 166 South Alvarado Street; instruct the Los Angeles Housing and Community Investment Department (HCID) to execute and enforce the terms of the Regulatory Agreement with Borrower prior to the TEFRA hearing and notify the City Clerk that a Regulatory Agreement has been executed; and subject to confirmation from HCID that a Regulatory Agreement has been executed, instruct the City Clerk to schedule a TEFRA Hearing and consideration of the attached TEFRA Resolution for the City Council Meeting to be held on August 16, 2017 at 10:00 a.m., located at 200 North Spring Street, Room 340, Los Angeles, California 90012.

PRESENTED BY:



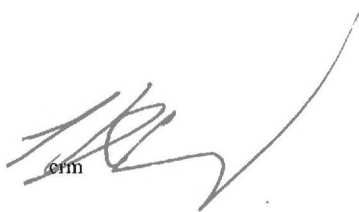
MITCH O'FARRELL  
Councilmember, 13<sup>th</sup> District

SECONDED BY:



ORIGINAL

AUG - 1 2017

  
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**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES  
APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS  
BY THE CALIFORNIA PUBLIC FINANCE AUTHORITY IN A PRINCIPAL  
AMOUNT NOT TO EXCEED \$20,000,000 FOR THE PURPOSE OF FINANCING  
THE ACQUISITION AND CONSTRUCTION OF HOUSING FACILITIES AT 166  
SOUTH ALVARADO STREET IN THE CITY OF LOS ANGELES**

**WHEREAS**, the City of Los Angeles ("City") is a member of the California Public Finance Authority, a joint powers authority organized and existing under the laws of the State of California (the "Authority"); and

**WHEREAS**, Hope on Alvarado, LP (the "Borrower") has requested that the Authority issue one or more series of revenue bonds in an aggregate principal amount not to exceed Twenty Million Dollars (\$20,000,000) (the "Bonds"), and lend the proceeds of the Bonds to the Borrower for the purpose of financing costs of the acquisition and construction of up to 90 units located at 166 South Alvarado Street (the "Project"), and

**WHEREAS**, pursuant to section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the issuance of the Bonds by the Authority must be approved by the City of Los Angeles (the "City") because the Project is located within the territorial limits of the City; and

**WHEREAS**, the City Council of the City (the "City Council") is the elected legislative body of the City and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under section 147(f) of the Code; and

**WHEREAS**, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of section 147(f) of the Code and Authority policy; and

**WHEREAS**, pursuant to section 147(f) of the Code, the City Council of the City has, following notice duly given, held a public hearing regarding the issuance of the Bonds and now desires to approve the issuance of Bonds by the Authority.

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

Section 1. The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds by the Authority for the purposes of (a) section 147(f) of the Code, by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with section 147(f), and (b) Authority policy; provided, however, that this Resolution shall not constitute an approval by the City Council of the Project for any other purpose.

Section 2. The issuance of the Bonds shall be subject to the approval of the Authority all financing document relating thereto to which the Authority is a party. The City shall have no responsibility of liability whatsoever with respect to the Bonds.

Section 3. The adoption of this Resolution shall not obligate the City or any department thereof to (a) provide any financing to acquire or construct the Project; (b) approve any application or request for or take any other action in connection with any planning approval,

permit, or other action necessary for the acquisition, construction, or operation of the Project; (c) make any contribution or advance any funds whatsoever to the Authority; or (d) take any further action with respect to the Authority or its membership therein.

Section 4. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transition approved hereby.

Section 5. This Resolution shall take effect immediately upon its adoption.