

MOTION

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

#2

Hope on Hyde Park, LP (Sponsor), a California limited partnership, has requested that the City of Los Angeles (City) through the Housing and Community Investment Department (HCID) issue Multifamily Housing Revenue Bonds, in an amount not to exceed \$23,285,868, to finance the new construction of the 98-unit multifamily housing project known as Hope on Hyde Park Apartments (Project) located at 6501 Crenshaw Boulevard in Council District 8. The Project will provide 97 units of affordable housing, and one manager's unit.

The Sponsor has pledged to comply with all City and HCID bond policies related to the work described in this motion, including but not limited to payment of prevailing wages for labor and project monitoring with the HCID.

In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and as part of the bond issuance process, HCID conducted the required public hearing on January 21, 2020. Notice of the public hearing was published on January 7, 2020. HCID 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 bonds. To allow the bonds to be issued 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 consider the attached results of the TEFRA public hearing held on January 21, 2020 for Hope on Hyde Park Apartments and adopt the attached TEFRA Resolution approving the issuance of bonds in an amount not to exceed \$23,285,868 for the new construction of a 98-unit multifamily housing project located at 6501 Crenshaw Boulevard in Council District 8.

PRESENTED BY:



MARQUEECE HARRIS-DAWSON
Councilmember, 8th District



JAN 28 2020

SECONDED BY:



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 OR NOTES BY THE CITY OF LOS ANGELES TO FINANCE THE ACQUISITION, REHABILITATION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RESIDENTIAL RENTAL PROJECT 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 bonds or notes (the "Bonds") the proceeds of which will be used to finance the acquisition, construction, rehabilitation and equipping of a multifamily rental housing project described in paragraph 6 hereof (the "Project"); and

WHEREAS, the Project is 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 Project, 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 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 January 7, 2020, to the effect that a public hearing would be held with respect to the Project on January 21, 2020 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 up to the maximum amount below and a like amount of refunding bonds, pursuant to a plan of financing, to finance or refinance the Project. 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 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 Project, in one or more series and in an amount not to exceed that 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 Project 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 "Project" referred to hereof is as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Hope on Hyde Park	6501 Crenshaw Blvd., Los Angeles, CA 90043	98 (including 1 manager unit)	Hope on Hyde Park, LP	\$23,285,868

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

PASSED AND ADOPTED this ___ day of _____, 2020 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 _____, 2020.

By _____
Title _____

TEFRA PUBLIC HEARING MEETING MINUTES
TUESDAY – JANUARY 21, 2020
9:00 AM
THE LOS ANGELES
HOUSING + COMMUNITY INVESTMENT DEPARTMENT
1200 W 7TH STREET, ROOM 833
APOLINAR ABRAJAN, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Berendo Sage, Lake House, NoHo 5050, Bell Creek, Palm Vista, Talisa, Hope on Hyde Park, Asante, Hope on Broadway, La Prensa Libre, Adams Terrace, Serenity Apartments, Hollywood Arts Collective, Building 205, and Building 208 Projects.

This meeting is called to order on Tuesday, January 21, 2020 at 9:00 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 January 7, 2020. 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 Andre Perry, Apolinar Abrajan, Franklin Campos, Bruce Ortiz, Robert Vergara, Cecilia Rosales, Francisco Lopez, and Conny Griffith.

The time is now 9:30 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 January 21, 2020 at Los Angeles, California.

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



Apolinar Abrajan, Finance Development Officer II