

Simpson Arbor Preservation, L.P. (Sponsor), a California limited partnership, has requested that the City of Los Angeles (City) through the Housing and Community Investment Department (HCIDLA) issue Multifamily Housing Revenue Bonds in an amount not to exceed \$23,000,000 to finance the acquisition and rehabilitation of the 83-unit multifamily housing project known as Simpson Arbor Apartments (Project). The Project is located at 7507 Simpson Avenue, Los Angeles, California, 91605 in Council District Two. The Project will provide 82 units of affordable housing and one manager unit.


The Sponsor has pledged to comply with all City and HCIDLA bond policies related to the work described herein, including but not limited to payment of prevailing wages for labor 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 hearing on December 27, 2018. Notice of the public hearing was published on December 13, 2018. 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 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 instruct the City Clerk to schedule and place on the next available City Council agenda consideration of the results of the TEFRA public hearing for the Simpson Arbor Apartments, held on December 27, 2018; and adopt the attached TEFRA 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 an amount not to exceed \$23,000,000 to finance the acquisition and rehabilitation of the 83-unit multifamily housing project located at 7507 Simpson Avenue in Council District Two.

PRESENTED BY:

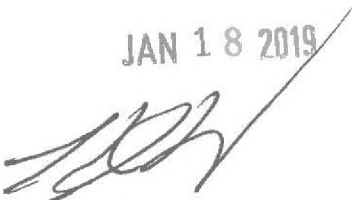

PAUL KERKORIAN
Councilmember, 2nd District

SECONDED BY:



ORIGINAL

JAN 18 2019



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 bonds or notes (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 6 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, 2018, to the effect that a public hearing would be held with respect to the Projects on December 27, 2018 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 amounts specified in paragraph 6 below and a like amount of refunding bonds, pursuant to a plan of financing, to finance or refinance the Projects. 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 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 Projects 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 "Projects" referred to hereof is as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Simpson Arbor	7507 Simpson Avenue, Los Angeles, CA 91605	83 (including 1 manager unit)	Simpson Arbor Preservation, LP	\$23,000,000
Florence Morehouse	910-916 W. Florence Avenue, Los Angeles, CA 90044; and 1750 W. Martin Luther King Jr. Boulevard, Los Angeles, CA 90062	61 (including 2 manager units)	Florence Morehouse, L.P.	\$4,883,106
Colorado East	2451 W. Colorado Boulevard, Los Angeles, CA 90041	41 (including 1 manager unit)	Colorado East, L.P.	\$14,000,000

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

PASSED AND ADOPTED this ___ day of _____, 2018 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 _____, 2018.

By _____
Title _____

TEFRA PUBLIC HEARING MEETING MINUTES
THURSDAY – DECEMBER 27, 2018
9:00 AM
THE LOS ANGELES
HOUSING + COMMUNITY INVESTMENT DEPARTMENT
1200 W 7TH STREET, ROOM 833
MAGDALINA ZAKARYAN, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Simpson Arbor, Florence Morehouse and Colorado East Projects.

This meeting is called to order on Thursday, December 27, 2018 at 9:00 a.m. in Room 833 of the Los Angeles Housing + Community Investment Department.

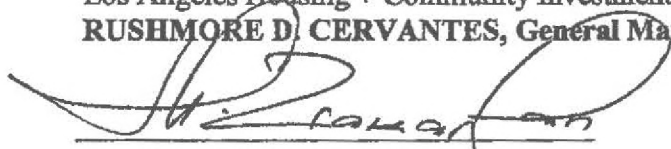
A notice of this hearing was published in the Los Angeles Times on December 13, 2018. The purpose of this meeting is to hear public comments regarding the subject Multifamily Revenue Bonds.

The City of Los Angeles Housing + Community Investment Department representatives present were Magdalena Zakaryan, Carmen Velazquez, 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 projects on December 27, 2018 at Los Angeles, California.

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



Magdalena Zakaryan, Supervisor
Affordable Housing Bond Program