

HOUSING AND HOMELESSNESS COMMITTEE REPORT and RESOLUTION relative to the results of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing and authority to issue tax-exempt and taxable multifamily conduit revenue notes (notes) for the Grandview Apartments project (Project) located at 714 – 760 South Grand View Street in Council District 1, and related matters.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. NOTE and FILE the Los Angeles Housing Department (LAHD) report dated August 22, 2023, relative to the issuance of notes for the Project.
2. CONSIDER the results of the TEFRA hearing held on July 28, 2023 for the Project, attached to the City Administrative Officer (CAO) report dated August 31, 2023 in the Council file.
3. ADOPT the accompanying RESOLUTION, attached to the CAO report dated August 31, 2023 in the Council file, authorizing the issuance of up to \$41,287,000 in tax-exempt notes and issuance of up to \$12,000,000 in taxable notes for the Project.
4. AUTHORIZE the General Manager, LAHD, or designee, to:
 - a. Negotiate and execute the relevant financing documents for the Project, subject to the approval of the City Attorney as to form.
 - b. Negotiate and reduce, if necessary, the interest rate of the Grandview Apartments' Proposition HHH Supportive Housing loan of \$12,000,000 from a 3.0 percent simple interest rate to a minimum of a 1.0 percent simple interest rate.

Fiscal Impact Statement: The CAO reports that there will be no impact to the General Fund as a result of the issuance of these notes for the Project. The City is a conduit issuer and does not incur liability for the repayment of the notes, which are a limited obligation payable solely from the revenues of the Project, and the City is not, under any circumstances, obligated to make payments on the notes.

Financial Policies Statement: The CAO reports that the recommendations stated in the report comply with the City's Financial Policies in that the notes are a limited obligation payable solely from the revenues of the Project, and the City is not, under any circumstances, obligated to make payments on the notes.

Debt Impact Statement: The CAO reports that there is no debt impact as these notes are a conduit issuance debt and not a debt of the City.

Community Impact Statement: None submitted

SUMMARY:

At the meeting held on September 6, 2023, your Housing and Homelessness Committee considered the LAHD and CAO reports relative to the results of the TEFRA hearing held on July 28, 2023 for the Project located at 714 – 760 South Grand View Street in Council District 1, and the Resolution authorizing the issuance of up to \$41,287,000 in tax-exempt notes and issuance of up to \$12,000,000 in taxable notes for the Project. The CAO report included recommendations to note and file the LAHD report dated August 22, 2023; and, to authorize the LAHD to negotiate and execute the relevant financing documents for the Project, and if necessary, negotiate and reduce the interest rate of the Project's Proposition HHH Supportive Housing loan to a minimum of a 1.0 percent simple interest rate. After providing an opportunity for public comment, the Committee recommended to adopt the recommendations contained in the CAO report dated August 31, 2023, as detailed above.

Respectfully Submitted,

HOUSING AND HOMELESSNESS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
RAMAN:	YES
BLUMENFIELD:	YES
HARRIS-DAWSON:	YES
RODRIGUEZ:	YES
LEE:	ABSENT

AB
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-NOT OFFICIAL UNTIL COUNCIL ACTS-