

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

#50

MOTION

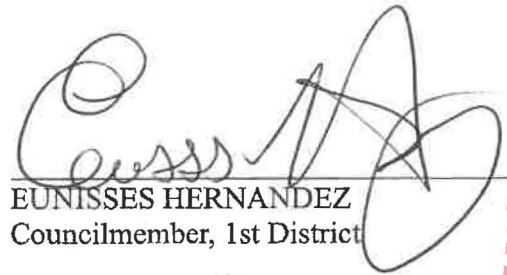
West Third Apartments, GP LLC (Sponsor), a California limited partnership, has requested that the City of Los Angeles (City) through the Los Angeles Housing Department (LAHD) issue Multifamily Housing Revenue Bonds, in an amount not to exceed \$25,730,000 to finance the new construction of the 137-unit multifamily housing development known as West Third Apartments (Project) located at 1900-1906 W. 3rd Street in Council District 1. The Project will provide 136 units of affordable housing and one manager unit.

In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and as part of the bond issuance process, LAHD conducted the required public hearing on June 7, 2024. Notice of the public hearing was published on May 31, 2024. LAHD 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 Sponsor has pledged to comply with all City and LAHD 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 LAHD.

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 June 7, 2024 for West Third Apartments and adopt the attached TEFRA Resolution approving the issuance of bonds in an amount not to exceed \$25,730,000 for the construction of a 137-unit multifamily housing development located at 1900-1906 W. 3rd Street in Council District 1.

PRESENTED BY:


EUNISSES HERNANDEZ
Councilmember, 1st District

SECONDED BY:



ORIGINAL

JUL 02 2024

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RESOLUTION

A RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OR REISSUANCE OF BONDS OR NOTES BY THE CITY OF LOS ANGELES TO FINANCE OR REFINANCE THE ACQUISITION, REHABILITATION, CONSTRUCTION AND/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 or reissue 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/or equipping of the 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 or refinancing of the Projects, and it is within the powers of the City to provide for such financing or refinancing and the issuance or reissuance 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, the 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 Projects are 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 on the Los Angeles Housing Department website <https://housing2.lacity.org> on and after May 31, 2024, to the effect that a public hearing would be held with respect to the Projects on June 7, 2024, regarding the issuance or reissuance of the Bonds; and

WHEREAS, the Los Angeles Housing Department held said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance or reissuance 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 or reissuance 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 Projects are 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 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 or reissuance of the Bonds for the Projects, in one or more series 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 or reissued 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: |
|---------------------------|---|--------------------------------|--|-----------------|
| West Third Apartments | 1900 West 3 rd Street, Los Angeles, CA 90057 | 137 (including 1 manager unit) | West Third Apartments Preservation, L.P. | \$25,730,000 |
| Western Avenue Apartments | 5501 South Western Avenue, Los Angeles, CA 90062 | 33 (including 1 manager unit) | Western Avenue Apartments Preservation, L.P. | \$6,950,000 |
| Broadway Apartments | 301 West 49 th Street, Los Angeles, CA 90037 | 35 (including 1 manager unit) | Broadway Apartments Preservation, L.P. | \$8,720,000 |
| Colorado East | 2451 Colorado Boulevard, Los Angeles, CA 90041 | 41 (including 1 manager unit) | Colorado East L.P. | \$17,000,000 |
| Southside Senior Housing | 1623 West Manchester Avenue, Los Angeles, CA | 50 (including 1 manager unit) | Southside LA Housing Partners, LP | \$17,411,000 |

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

PASSED AND ADOPTED this ____ day of _____, 2024 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 _____, 2024

By _____

Title _____

TEFRA PUBLIC HEARING MEETING MINUTES
FRIDAY – JUNE 7, 2024
9:00 AM
LOS ANGELES HOUSING DEPARTMENT
BY TELECONFERENCE
CONNY GRIFFITH, CHAIR

This meeting was conducted to meet the required Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) Public Hearing for 803 E. 5th St., SP7 Apartments, Prisma, Oatsie’s Place, Southside Senior Housing, Building 205, Building 208, West Third Apartment, Western Avenue Apartments, Broadway Apartments, and Colorado East.

This meeting was called to order on Friday, June 7, 2024 at 9:00 a.m. via teleconference by the Los Angeles Housing Department.

A notice of this hearing was published in various locations on the Los Angeles Housing Department website on May 31st, 2024 (the “Notice”). The purpose of this meeting was to hear public comments regarding the City of Los Angeles’ proposed issuance of multifamily housing revenue bonds or notes for the above referenced projects.

The Los Angeles Housing Department representatives present were Conny Griffith, Arthur McIn III, and Adam R. Miller. All representatives were present via teleconference as described in the Notice.

At 9:05, John, a member of the public attended the meeting to observe the Hearing’s processes. John left after a short while after joining and by 9:30 a.m. there were no other representatives from the public who made themselves available and no public comments were provided, so the meeting was adjourned.

I declare under penalty of perjury that this is a true and exact copy of the TEFRA public hearing meeting minutes regarding the above referenced projects held on June 7, 2024 at Los Angeles, California.

CITY OF LOS ANGELES
Los Angeles Housing Department
ANN SEWILL, General Manager



Digitally signed by Conny
Griffith
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Conny Griffith, Finance Development Officer II