

TO CITY CLERK FOR PLACEMENT ON NEXT
REGULATORY AGENDA TO BE POSTED

#56

MOTION

R Cap Avenue 34 LLC, a Delaware Limited Liability Company (Borrower), has requested that the California Statewide Communities Development Authority (CSCDA) issue one or more series of revenue bonds or notes, in an aggregate principal amount not to exceed \$20,000,000, for the acquisition, development, improvement, and equipping of an existing 67-unit residential housing project located at 141 West Avenue 34 in Council District 1 (Project).

As a condition to the City's approval of the TEFRA Resolution for the Project, the Owner of the property shall enter into a regulatory agreement (Regulatory Agreement) with the City, which Regulatory Agreement shall be recorded, to affirm that (a) the 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 Owner 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 Owner will provide reasonable accommodation upon request to ensure equal access and effective communication to its programs, services, and activities.

As provided in the Outside Issuer Guidelines of HCID's Affordable Housing Bond Policies & Procedures (Bond Policies) the City generally requires that all Qualified Residential Rental Projects in the City issue bonds through HCID. The Bond Policies allow outside issuers to issue tax-exempt multifamily bonds for projects located in the City subject to conditions including execution of a Regulatory Agreement. The outside issuer and Borrower must agree to comply with all requirements of the City's Bond Policies. The Project will be funded primarily through 4% Federal Low-Income Housing Tax Credits and tax-exempt bonds or notes. No City funds will be directed to this Project.

I THEREFORE MOVE that the Council hold a TEFRA Hearing at the City Council Meeting to be held on Tuesday, October 27, 2020 and adopt the attached TEFRA Resolution to allow CSCDA to issue bonds in an amount not to exceed \$20,000,000 to provide financing for the acquisition, development, improvement, and equipping of an existing 67-unit residential housing project located at 141 West Avenue 34 in Council District 1.

PRESENTED BY: _____


GILBERT A. CEDILLO
Councilmember, 1st District

SECONDED BY: _____

BOB BLUMENFIELD (verbal)
Councilmember, 3rd District

OCT 20 2020

**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 CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY 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 a charter city and political subdivision of the State of California; and

WHEREAS, California Statewide Communities Development Authority (the "Authority") is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the "JPA Law"), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the "Agreement"), to issue revenue notes or bonds for the purpose of financing, among other things, the acquisition and construction of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the "Housing Law"); and

WHEREAS, the Authority intends to adopt a plan of financing providing for the issuance for federal income tax purposes certain bonds or notes (the "Bonds") in one or more series issued from time to time, the proceeds of which will be used to finance the acquisition, construction, rehabilitation and equipping of a multifamily rental housing project described in paragraph 3 hereof (the "Project"); and

WHEREAS, the City is a member of the Authority; 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 for purposes of the below-defined Code; 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 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 Daily Journal*, which is a newspaper of general circulation in the City, on October 14, 2020, to the effect that a public hearing would be held with respect to the Project on October 21, 2020 regarding the issuance of the Bonds; and

WHEREAS, such public hearing was conducted by this City Council on such date, at which time an opportunity was provided to present arguments both for and against the issuance of the Bonds; and

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 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.

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 Authority 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 by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located and as a member of the Authority, the issuer of the Bonds, each in accordance with said Section 147(f).

3. The "Project" referred to hereof is as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Avenue 34	141 West Avenue 34, Los Angeles, California 90031	67 (including 1 manager unit)	R Cap Avenue 34, LLC	\$20,000,000

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 that 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 approved hereby.

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

PASSED AND ADOPTED this ___ day of October, 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 _____