

HOUSING COMMITTEE REPORT and RESOLUTION relative to request for authority to issue Tax-Exempt Multifamily Conduit Revenue Bonds in an amount up to \$18,750,000 for the Missouri Place Apartments Project.

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

1. ADOPT the accompanying RESOLUTION authorizing the issuance of up to \$18,750,000 in Tax-Exempt Multifamily Conduit Revenue Bonds (Series 2019E) for the Missouri Place Apartments Project 11950 Missouri Avenue.
2. AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to negotiate and execute the relevant bond documents for the Missouri Place Apartments Project, subject to the approval of the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports there is no additional impact to the General Fund as a result of the issuance of these tax-exempt multi-family conduit revenue bonds for the Missouri Place Apartments Project. The City is a conduit issuer and does not incur liability for the repayment of the bonds, which are a limited obligation payable solely from the revenues of the Project, and the City will in no way be obligated to make payments on the bonds.

Community Impact Statement: None submitted.

Summary:

On February 13, 2019, your Committee considered February 5, 2019 CAO and January 8, 2019 HCIDLA reports and Resolution relative to a request for authority to issue Tax-Exempt Multifamily Conduit Revenue Bonds in an amount up to \$18,750,000 for the Missouri Place Apartments Project. According to the CAO, the HCIDLA is requesting authority to issue tax-exempt multi-family housing conduit revenue bonds in an amount not to exceed \$18,750,000 to finance the construction of the affordable housing development known as the Missouri Place Apartments Project. The Project will consist of the rehabilitation of 73 units for low or moderate income persons and families, formerly homeless individuals, chronically homeless families with young children, and one unrestricted manager unit. The subject site is located at 11950 Missouri Avenue, Los Angeles, CA 90025 in Council District 11.

The California Debt Limit Allocation Committee (CDLAC) awarded the tax-exempt bond allocation for the Project to the City on September 19, 2018 in an amount not to exceed \$18,750,000 and designated a March 18, 2019 issuance deadline. The CAO concurs with the HCIDLA. The City's involvement in the issuance of tax-exempt, multi-family housing conduit revenue bonds is considered true conduit financing, in which the obligation for repayment of the bonds is the responsibility of Missouri and Bundy Housing, LP and the City bears no financial responsibility for repayment as the issuer. There will be no impact to the General Fund. The financing is consistent with City policies regarding conduit financing. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO report as detailed in above

recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

A handwritten signature in cursive script that reads "Paul Kerkorian".

MEMBER

CEDILLO:

KREKORIAN:

HARRIS-DAWSON:

VOTE

ABSENT

YES

YES

ARL

2/13/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-