

MOTION

TO CITY CLERK FOR PLACEMENT ON NEXT
REGULAR COUNCIL MEETING DATE TO BE DETERMINED

#5

The Missouri and Bundy Housing LP (Sponsor) has requested that the City of Los Angeles through the Housing and Community Investment Department (HCIDLA) issue Multifamily Housing Revenue Bonds in an amount not to exceed \$23,437,500 to finance the new construction of the 74-unit multifamily housing project known as Missouri Place (Project). The Project is located at 11950 Missouri Ave, Los Angeles CA 90025, in Council District Eleven. The Project will provide 73 units affordable to Low Income residents (30%, 50% and 60% of Area Median Income) 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 July 20, 2018. Notice of the public hearing was published on July 6, 2018. The 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, pursuant to the Internal Revenue Code, the Council consider the results of the TEFRA public hearing for the Missouri Place, held on July 20, 2018, and adopt the attached TEFRA Resolution approving the issuance of bonds in the amount not to exceed \$23,437,500 to finance the new construction of the 74-unit multifamily housing project known as Missouri Place located at 11950 Missouri Ave, Los Angeles CA 90025, in Council District Eleven.

PRESENTED BY:


MIKE BONINCouncilmember, 11th District

SECONDED BY:



ORIGINAL

abg



AUG 03 2018

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 July 6, 2018, to the effect that a public hearing would be held with respect to the Projects on July 20, 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 amount 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:
Residences on Main	6901-6917 Main Street, Los Angeles, CA 90003	50 (including 1 manager unit)	Residences on Main, L.P.	\$20,850,000
Missouri Place	11950 Missouri Avenue, Los Angeles, CA 90025	74 (including 1 manager unit)	Missouri and Bundy Housing, LP	\$23,437,500

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 _____

I CERTIFY THAT THE FOREGOING
RESOLUTION WAS ADOPTED BY THE
COUNCIL OF THE CITY OF LOS ANGELES
AT ITS MEETING OF AUG 10 2018
BY A MAJORITY OF ALL ITS MEMBERS



HOLLY L. WOLCOTT
CITY CLERK

BY _____
DEPUTY

TEFRA PUBLIC HEARING MEETING MINUTES
FRIDAY – JULY 20, 2018
9:00 AM
THE LOS ANGELES
HOUSING + COMMUNITY INVESTMENT DEPARTMENT
1200 W. 7TH STREET, ROOM 833
APOLINAR ABRAJAN, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Missouri Place, and Residences on Main Projects.

This meeting is called to order on Friday, July 20, 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 July 6, 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 Apolinar Abrajan and Geraldine Pacpaco.

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 July 20, 2018 at Los Angeles, California.

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


Apolinar Abrajan, Financial Development Officer I
Affordable Housing Bond Program