



**COMMUNITY DEVELOPMENT COMMISSION/
HOUSING AUTHORITY
of the County of Los Angeles**

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Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Janice Hahn
Kathryn Barger
Commissioners

Monique King-Viehlend
Executive Director

April 30 ~~May 14~~, 2019

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

REVISED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

52 May 14, 2019

CELIA ZAVALA
EXECUTIVE OFFICER

**ADOPT RESOLUTION APPROVING ISSUANCE OF TAX-EXEMPT MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN UNINCORPORATED WEST
LOS ANGELES
(DISTRICT 3) (3 VOTE)**

SUBJECT

This letter requests that your Board adopt a Resolution approving the issuance of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition, construction and rehabilitation of Building 209, a 55-unit multifamily rental housing development located in the unincorporated Veterans Administration Center. This letter relates to another item on the agenda of the Board of Commissioners of the Housing Authority of the County of Los Angeles (Housing Authority) to authorize the Executive Director of the Housing Authority to apply to the California Debt Limit Allocation Committee for the bond allocation (CDLAC).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that adoption of this Resolution is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action will not have the potential of causing a significant effect on the environment.
2. Adopt and instruct the Chair to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Mortgage Revenue Bonds and Related Actions by the Housing Authority in an amount not to exceed \$14,000,000 to Building 209 Preservation, L.P. (Borrower), or an affiliate or assign thereof, to finance the site acquisition, construction and development of a 55-unit multifamily rental housing development to be located at 11301 Wilshire Boulevard, Building 209 in the Veterans Administration Center in unincorporated West Los Angeles (Project).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will authorize the issuance of tax-exempt Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not to exceed \$14,000,000 (Bonds) in order to finance the site acquisition, construction and rehabilitation of the Project.

The Project, to be located at 11301 Wilshire Boulevard, Building 209 in the unincorporated Veterans Administration Center in Los Angeles County, will consist of 32 studio units and 23 one-bedroom units. Twenty-two of the units will be reserved for households with incomes that do not exceed 50% of the area median income (AMI) for the Los Angeles Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD) and thirty-two units will be reserved for households with incomes that do not exceed 60% of the AMI. Fifty-four units will be designated as Permanent Supportive Housing for homeless and chronically homeless veterans. The manager's unit will have no affordability requirements. The affordability requirements will remain in effect for 55 years. The developer for the Project is BlueGreen Preservation and Development Company, LLC. The Borrower is a limited partnership that includes the developer as a partner.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Bonds will be repaid solely through rent revenues collected by the Borrower. The Borrower will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Adoption of the Resolution by your Board is required prior to submission of the Housing Authority's application to CDLAC for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the Bonds. The Housing Authority will return to the Board of Commissioners for this authorization at a later date.

On ~~April 22~~ May 3, 2019, the Housing Authority conducted a hearing at its office located at 700 West Main Street in Alhambra regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock LLP, Housing Authority Bond Counsel, and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The proposed action is not a project pursuant to CEQA because it is an activity that is excluded from the definition of a project by Section 15378 (b)(5) of the State CEQA guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect physical change to the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed action is a necessary step to provide bond financing for the Project, which will

The Honorable Board of Supervisors

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increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Monique King-Viehland". The signature is fluid and cursive, with a large initial "M" and "K".

MONIQUE KING-VIEHLAND

Executive Director

MKV:LN:DR

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS AND RELATED ACTIONS IN UNINCORPORATED COUNTY OF LOS
ANGELES

WHEREAS, the Housing Authority of the County of Los Angeles (the 'Authority') intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds or notes in one or more series issued from time to time, and at no time to exceed \$14,000,000 in outstanding aggregate principal amount (the 'Bonds'), in order to assist in financing (including reimbursement of Borrower's expenditures) the acquisition, construction, development and rehabilitation of a multifamily rental housing development consisting of 55 units located at 11301 Wilshire Boulevard, Los Angeles, CA 90073 in unincorporated Los Angeles County (the 'Project'), to be owned by Building 209 Preservation, LP, (or an affiliate, assign or designee); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the 'Code'), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Code, only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the unincorporated County of Los Angeles, California; and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Authority has, following notice duly given, held a public hearing regarding the plan of financing and the issuance of such Bonds on May 3, 2019, and now desires that the Board of Supervisors authorize the issuance of such Bonds within unincorporated County; and

WHEREAS, this Board hereby finds and declares that this Resolution is being adopted pursuant to the powers granted by law.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the plan of financing and the issuance of the Bonds by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the plan

of financing and the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The Authority is hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by the Authority in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

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

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PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this 14th day of May, 2019, by the following vote:

AYES: Supervisors Solis, Ridley-Thomas, Kuchi, Barger and Hahn

NOES: None

ABSENT: None

ABSTAIN: None



By *Jamie Hahn*
Chair of the Board of Supervisors

ATTEST:

CELIA ZAVALA,
Executive Officer-Clerk
of the Board of Supervisors

By: *Maria Cevallos*
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM,
County Counsel

By: *Bethany J. Wickham*
Deputy