



January 25, 2022

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

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

Dear Supervisors and Commissioners:

ISSUANCE OF MULTIFAMILY HOUSING REVENUE NOTES TO FINANCE THE DEVELOPMENT OF RAMONA METRO POINT, A 51-UNIT AFFORDABLE HOUSING PROJECT LOCATED IN THE CITY OF EL MONTE (DISTRICT 1) (3 VOTES)

SUBJECT

This letter requests that your Board approve resolutions authorizing and actions facilitating the issuance, sale, and delivery of tax-exempt Multifamily Housing Mortgage Revenue Notes to finance the site acquisition, construction, and development of Ramona Metro Point, an affordable 51-unit multifamily housing development located in the City of El Monte in Los Angeles County.

IT IS RECOMMENDED THAT THE BOARD:

1. Adopt and instruct the Chair to sign the attached Resolution approving the issuance of tax-exempt Multifamily Housing Mortgage Revenue Notes by the Los Angeles County Development Authority (LACDA), in an aggregate principal amount not exceeding \$14,971,234 (Notes) to finance the site acquisition, construction and development of Ramona Metro Point (Project) a 51-unit multifamily rental housing development to be located at 11016 Ramona Blvd in the City of El Monte.
2. Approve and delegate authority to the LACDA to act as the agent of the County and to negotiate

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

1-D January 25, 2022

A handwritten signature in black ink, appearing to read "Celia Zavala", written in a cursive style.

CELIA ZAVALA
EXECUTIVE OFFICER

and execute an Interlocal Cooperation Agreement between the County and the City of El Monte (Cooperation Agreement).

3. 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.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

1. Adopt and instruct the Chair to sign the attached Resolution authorizing the issuance, sale and delivery of tax-exempt Multifamily Housing Mortgage Revenue Notes in an aggregate principal amount not to exceed \$14,971,234.

2. Authorize the Executive Director or his designee to negotiate, execute, and if necessary, amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the Notes.

3. Approve the designation to act on behalf of the County and authorize and instruct the Executive Director or his designee to negotiate, execute, and if necessary, amend the Cooperation Agreement.

4. Find that adoption of this Resolution is not subject to the provisions of CEQA because the action will not have the potential of causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the issuance, sale, and delivery of the Notes, to finance the acquisition, construction, and development of the Project. The Notes will have an aggregate principal not to exceed \$14,971,234. The developer for the Project is Domus GP LLC, and the Borrower is a limited partnership which includes the developer as a partner.

The 51-unit Project, to be located at 11016 Ramona Blvd., in the City of El Monte, will be a transit-oriented development that will consist of a mix of 24 one-bedroom units, 12 two-bedroom units, and 15 three-bedroom units. Twenty-four (24) units will be reserved for homeless households with a member living with a severe mental illness with incomes not to exceed 25% of Area Median Income (AMI) and 26 units will be reserved for low-income households with incomes not to exceed 40% of AMI for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. The affordability requirements will remain in effect for 55 years. One three-bedroom unit will be set-aside for the property manager and will have no affordability requirements.

Residents of the Project will benefit from supportive services provided on the ground floor of the building, which includes approximately 8,400 square feet of space. Other amenities include a community room with Wi-Fi, computer lab, homework stations, and a tot-lot. Parking and storage will account for approximately 12,000 square feet of space. The project will include 76 parking spaces (combination of tandem, tuck-under, and surface parking spaces), as well as bicycle storage facilities.

The Project will be developed on land owned by the City of El Monte, valued at approximately \$2.8 million. Public financing will include \$5.52 million in No Place Like Home Funds administered by the

LACDA and a \$1.1 million Infill Infrastructure Grant and \$5.7 million of Multifamily Housing Program funds, both administered by the State Department of Housing and Community Development.

This action will also authorize the Executive Director of the LACDA to enter into a Cooperation Agreement with the City of El Monte on the County's behalf as required by California Health and Safety Code Section 52086. Execution of the Cooperation Agreement will authorize issuance of the Notes by the LACDA for the Project located in the City of El Monte.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund. The Borrower will repay the Notes solely through rent revenues collected by the Borrower. The Borrower will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On May 4, 2021 the Board of Commissioners adopted an inducement resolution declaring the intent of the LACDA to undertake the financing of a Multifamily Housing Mortgage Revenue Bond or Note project in accordance with U.S. Treasury Department regulations. This action established a base date after which costs incurred by the Borrower for the Project could be included in the acquisition and permanent financing obtained pursuant to the issuance of the tax-exempt Notes.

The LACDA is authorized to issue multifamily revenue bonds or notes to assist in financing for nonprofit public benefit organizations or for-profit corporations with a public benefit project, including the Borrower. In order for the LACDA to issue such Notes, the LACDA and the County must execute the following actions: (1) The LACDA must conduct a public hearing to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code; and (2) the County must approve a resolution approving the plan of financing and authorizing the LACDA to issue the Notes. Although the LACDA will be issuing the Notes at the request of the Borrower, the financing cannot proceed without the approval of the applicable elected legislative body.

On December 17, 2021 the LACDA conducted a telephonic hearing regarding the issuance of the tax-exempt Notes to finance the Project at its office located at 700 West Main Street in Alhambra. No comments were received at the hearing concerning the issuance of the tax-exempt Notes or the nature and location of the Project.

The attached Resolution was prepared by Hawkins Delafield & Wood LLP, LACDA Bond Counsel, and approved as to form by County Counsel.

Pursuant to California Government Code Section 5852.1, a required public disclosure document for this Note issuance is also attached. All other related documents, in substantially final form, are on file with the Executive Office. They will be approved as to form by County Counsel prior to execution by the authorized parties.

ENVIRONMENTAL DOCUMENTATION

The proposed action is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378 (b) 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.

The Honorable Board of Supervisors

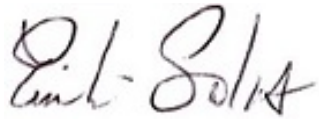
1/25/2022

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed action will facilitate financing for the Project, which will expand the supply of affordable housing in the County with long-term affordability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Emilio Salas". The signature is written in a cursive, flowing style.

Emilio Salas

Executive Director

ES:LK:ML:DR

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE NOTES AND RELATED ACTIONS

WHEREAS, the Los Angeles County Development Authority (the “LACDA”) intends to adopt a plan of financing to sell and issue, from time to time, multifamily housing mortgage revenue bonds or notes in one or more series, and at no time to exceed \$14,971,234 in outstanding aggregate principal amount (the “Notes”), in order to assist in financing (including reimbursement of the expenditures of the Borrower (herein defined)) the acquisition, construction, development and/or rehabilitation of a multifamily rental housing development consisting of 51 units located at 11016 Ramona Boulevard (also known as 3436 & 3454 Tyler Avenue) in the incorporated City of El Monte, in the County of Los Angeles, California (the “Project”), to be owned by Ramona Metro Point, L.P. (or an affiliate, assign or designee) (the “Borrower”); and

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

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

WHEREAS, the Project is located wholly within the County of Los Angeles, California (the “County”) and is within the City of El Monte; and

WHEREAS, the City of El Monte has approved the issuance by the LACDA of the Notes for the Project within the City of El Monte; and

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

WHEREAS, pursuant to Section 147(f) of the Code, the LACDA has, following notice duly given, held a public hearing regarding the plan of financing and the issuance of such Notes on December 17, 2021, and now desires that the Board of Supervisors approve the issuance of such Notes within the 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 Notes by the LACDA to finance costs of the Project in the County. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the plan of financing and the Notes by the applicable elected representative of the issuer of the Notes 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 proper officers of the LACDA are 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 Notes are to be issued and sold shall be approved by the Board of Commissioners of the LACDA in the manner provided by law prior to the sale thereof.

4. The Chief 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 LACDA.

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 _____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Chair of the Board of Supervisors

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel

By: *Behnaz Tashakorian*
Senior Deputy

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF A TAX-EXEMPT MULTIFAMILY HOUSING MORTGAGE REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,971,234 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT KNOWN AS RAMONA METRO POINT, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, the Los Angeles County Development Authority (the "LACDA") is authorized and empowered by the provisions of Section 34312.3 of the Health and Safety Code of the State of California (the "Act") to issue and sell revenue notes or notes for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, there has been prepared and presented to this Board of Commissioners (this "Board") for consideration at this meeting the documentation required for the issuance of one or more series of notes for the financing of the acquisition, development and construction of a multifamily rental housing development consisting of 51 units located at 11016 Ramona Boulevard (also known as 3436 & 3454 Tyler Avenue), El Monte, California 91731, in the City of El Monte, in the County of Los Angeles (the "Project"), to be known as Ramona Metro Point and to be owned by Ramona Metro Point, L.P., a California limited partnership, or an affiliate, assign or designee thereof (the "Borrower"); and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, this Board has received the following information as a good faith estimate of the cost of the Project financing and the LACDA has disclosed such information in accordance with Section 5852.1 of the California Government Code: (a) the true interest cost of the Note (as hereafter defined); (b) the finance charge of the Note, including all third party expenses; (c) the amount of proceeds received by the LACDA for the sale of the Note less the finance charge of the Note and any reserves or capitalized interest paid or funded with proceeds of the Note; and (d) the total payment amount; and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Los Angeles County Development Authority, as follows:

1. It is hereby found and determined that it is necessary and desirable for the LACDA to provide financing for the Project through the issuance, sale and delivery of the Note in order to assist in the acquisition, construction and development of the type of dwelling units provided by the Project.

2. For the purpose of raising moneys with which to effectuate financing for the Project, the LACDA hereby determines to issue its Multifamily Housing Mortgage Revenue Note (Ramona Metro Point), 2022 Series B (or such other name or series designation as may be designated by officers or agents of the LACDA), in one or more series or subseries, each with an appropriate series designation (the “Note”), in an aggregate principal amount not to exceed \$14,971,234. The Note shall bear interest at the interest rate set forth in or determined in accordance that certain Funding Loan Agreement (the “Funding Loan Agreement”) by and among the LACDA, East West Bank, as funding lender (the “Funding Lender”), and U.S. Bank National Association, as fiscal agent thereunder (the “Fiscal Agent”), maturing as provided in the Funding Loan Agreement, but not later than 40 years from the date of issue. The Note shall be in substantially the form set forth in the Funding Loan Agreement, with such appropriate variations, omissions, insertions and provisions as are permitted or required by the Funding Loan Agreement, which shall be appropriately completed when the Note is prepared. The Note shall be limited obligations of the LACDA, payable solely from the income, revenues, receipts and other amounts pledged therefor under the Funding Loan Agreement and that certain Borrower Loan Agreement (the “Borrower Loan Agreement”) by and between the LACDA and the Borrower. The Note shall be executed, either manually or by facsimile, by the Chair of the Board of Commissioners or the Executive Director of the LACDA.

3. The proposed form of Funding Loan Agreement, in the form presented to this meeting, is hereby approved. The Executive Director of the LACDA and his designee is each hereby authorized and directed, for and in the name and on behalf of the LACDA, to execute and deliver the Funding Loan Agreement, in substantially said form, with such additions thereto or changes therein as such officer may approve or recommend upon consultation with counsel to the LACDA and Note Counsel to the LACDA (provided that such additions or changes shall not authorize an aggregate principal amount of Note in excess of the amount stated above or result in an initial interest rate on the Note in excess of 12%), the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Funding Loan Agreement. The proposed form of the Note, as set forth in the Funding Loan Agreement, is hereby approved, and the Chair of this Board and her designee is each hereby authorized and directed to execute, by manual or facsimile signatures of such officers, and the Fiscal Agent is hereby authorized and directed to authenticate, by manual signature of an authorized officer of the Fiscal Agent, the Note in substantially such form, and the LACDA and the Fiscal Agent are each hereby authorized and directed to deliver the Note to the purchaser, which shall be East West Bank, or an affiliate thereof in accordance with the Funding Loan Agreement. The Note may, if so provided in the Funding Loan Agreement, be issued as “draw down” Note to be funded over time as provided in the Funding Loan Agreement. The date, maturity date, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

4. The proposed form of Borrower Loan Agreement (the “Borrower Loan Agreement”), in the form presented to this meeting, is hereby approved. The Executive Director of the LACDA and his designee is each hereby authorized and directed, for and in the name and on behalf of the LACDA, to execute and deliver the Borrower Loan

Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the LACDA and Note Counsel to the LACDA, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Borrower Loan Agreement.

5. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), in the form presented to this meeting, is hereby approved. The Executive Director of the LACDA and his designee is each hereby authorized and directed, for and in the name and on behalf of the LACDA, to execute and deliver the Regulatory Agreement, with such additions or, changes in said document as such officer may recommend or approve upon consultation with counsel to the LACDA and Note Counsel to the LACDA, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Regulatory Agreement.

6. This Board hereby appoints the Executive Director of the LACDA or his designee as administrator/manager with respect to the Project and other matters arising in connection with the Note (the “Administrator”).

7. This Board hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code, including through use of applications such as DocuSign.

8. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, whether before or after the issuance of the Note, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project or any redemption of the Note, may be given or taken by the Administrator without further authorization by this Board, and the Administrator is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this resolution.

9. All actions heretofore taken by the officers and agents of the LACDA with respect to the sale, issuance and delivery of the Note are hereby approved, confirmed and ratified, and the proper officers of the LACDA are hereby authorized and directed, for and in the name and on behalf of the LACDA to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those described in the Bank Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Note and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the LACDA.

10. This resolution shall take effect upon its adoption.

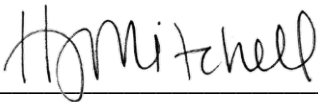
PASSED AND ADOPTED by the Board of Commissioners of the Los Angeles County Development Authority, this 25th day of January, 2022, by the following vote:

AYES: **Supervisors Solis, Kuehl, Hahn, Barger and Mitchell**

NOES: **None**

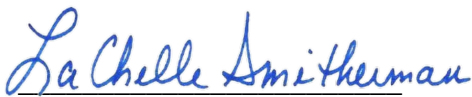
ABSENT: **None**

ABSTAIN: **None**

By: 
Chair of the Board of Commissioners

ATTEST:

CELIA ZAVALA
Executive Officer – Clerk
of the Board of Commissioners

By: 
Deputy



APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel

By: 
Senior Deputy