HOUSING AUTHORITY
of the County of Los Angeles
Administrative Office
2 Coral Circle • Monterey Park, CA 91755
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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

November 21, 2006

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

Dear Supervisors:

RESOLUTION APPROVING ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR WARWICK TERRACE APARTMENTS IN UNINCORPORATED COMPTON (2)
(3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the acquisition and minor rehabilitation of the Warrick Terrace Apartments, a 108-unit affordable multifamily housing development, located at 14921 South Stanford Avenue in unincorporated Compton is exempt from the California Environmental Quality Act (CEQA), as described herein.

2. Adopt and instruct the Mayor to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Revenue Bonds by the California Statewide Communities Development Authority (CSCDA), in an amount not exceeding $11,500,000 to assist the Concerned Citizens of South Central Los Angeles (the Developer), to finance the acquisition and minor rehabilitation of Warwick Terrace Apartments, a 108-unit affordable multifamily housing development located at 14921 South Stanford Avenue in unincorporated Compton.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to approve the issuance of Multifamily Housing Revenue Bonds by the CSCDA to finance the acquisition and minor rehabilitation of 108 units of affordable housing within unincorporated Compton. The County of Los Angeles is a member of the CSCDA joint powers authority.

FISCAL IMPACT/FINANCING:

No County costs will be incurred. The Developer will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The development will consist of the acquisition and minor rehabilitation of 20 one-bedroom units, 52 two-bedroom units and 36 three-bedroom units in eleven 2-story apartment buildings located at 14921 South Stanford Avenue in unincorporated Compton. Minor rehabilitation consists of the purchase and installation of a utility sub-metering system and the purchase of office equipment and furniture. Forty-four of the units will be reserved for very low-income households with incomes that do not exceed 60 percent of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA), adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). The remaining sixty-four units will be reserved for low-income households with incomes that do not exceed 80 percent of AMI. These affordability requirements will remain in effect for a minimum of 30 years.

Bonds will be issued by the CSCDA, which was organized pursuant to a joint exercise of powers agreement entered into by a number of California cities and counties, including the County of Los Angeles, pursuant to the provisions of the Joint Powers Act, Section 6500, et seq., of the California Government Code. Under the Joint Powers Act, the CSCDA is authorized to issue bonds, notes, other evidences of indebtedness or certificates of participation in leases or other agreements in order to promote economic development, including the provision and maintenance of multifamily housing.

Your Board must approve issuance of the bonds because Warwick Terrace Apartments is located within unincorporated Compton.

On November 16, 2006, the Community Development Commission conducted a public hearing at its office located at 2 Coral Circle in the City of Monterey Park, regarding the issuance of multifamily bonds to finance the Warwick Terrace Apartments, 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 projects.

The attached Resolution has been prepared by Jones Hall, Bond Counsel to the CSCDA, and has been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (a)(3)(ii), this project is excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. It is also exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no

expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT:

The proposed actions will increase the supply of affordable multifamily housing in the County.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachment: 1

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 *et seq.* and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the County of Los Angeles (the "County"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

WHEREAS, Concerned Citizens of South Central Los Angeles, or a related entity, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed $11,500,000 in outstanding aggregate principal amount, to finance the acquisition and minor rehabilitation of a 108-unit multifamily rental housing project, located at 14921 South Stanford Avenue, unincorporated Compton, California, and generally known as Warwick Terrace Apartments (the "Project"); and

WHEREAS, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire 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 members of this Board of Supervisors are the applicable elected representatives of the County; and

WHEREAS, there has been published, at least 14 days prior to November 16, 2006, in a newspaper of general circulation within the County, a notice that a public hearing regarding the Bonds would be held on November 16, 2006; and

WHEREAS, such public hearing was conducted on said date by the Community Development Commission of the County, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. This Board of Supervisors hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of this Board of Supervisors that this resolution constitute approval of the Bonds for the purposes of Section 147(f) of the Code and Section 9 of the Agreement.

Section 3. The officers of the County 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.

Section 4. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this_____ day of _____, 2006, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
MICHAEL D. ANTONOVICH
Mayor, Los Angeles County

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: Eric R. Young
Deputy