AGENDA NO.

April 09, 2024

MOTION BY SUPERVISOR JANICE HAHN

Multifamily Housing Mortgage Revenue Bonds for the Santa Fe Springs Village Project

Affordable Living for the Aging, Incorporated (ALA) and Primestor Development LLC (Primestor) are proposing to partner in the development and operation of the Santa Fe Springs Village project (Project). The Project will include three stories of new construction that will provide 44 units of housing in a contemporary design and will be located on Broadway Avenue, just south of Washington Boulevard, in the City of Santa Fe Springs.

The Project will be comprised of 42 studio units, one two-bedroom unit, and one two-bedroom manager's unit and will serve senior veterans earning between 30% to 60% of the Area Median Income. Each unit will be equipped with a kitchen, accessible bathroom, and all electric appliances. The Project will house a grade level parking garage, community room with leasing office, case manager's office, and several building amenities.

ALA is a BIPOC-led nonprofit that focuses on reducing disparities and promoting housing and health equity by enabling access to housing and health services for disadvantaged populations. With that focus in mind, ALA has developed 115 affordable housing units spanning 10 properties throughout Los Angeles. In 2010, ALA expanded its programs to include supportive housing and case management services to support low-income seniors and seniors experiencing chronic homelessness. Since expanding their program, ALA has supplied affordable housing for over 100 seniors and permanent supportive housing for 75 seniors. Over a span of 45 years, ALA

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has provided support for over 35,000 Angelenos with services, counseling, and permanent housing.

Primestor is a real estate development organization dedicated to empowering the communities they serve through home-grown leadership and self-representation. Primestor relies on community input to shape project design and branding, curate a well-balanced tenant mix, provide event programming, and create a safe and engaging space for tenants and visitors. By collaborating with the local community, they are able to serve their needs and receive valuable information that can help communities invest in and improve the overall health of those communities they are supporting.

To assist in financing the Santa Fe Springs Village project, a Resolution by the Board of Commissioners of the Los Angeles County Development Authority (LACDA), declaring the intent to issue Multifamily Mortgage Revenue Bonds or Notes in an amount not to exceed $18,112,500 (Bonds) is required. This Resolution establishes a base date after which costs incurred by Santa Fe Springs Village LP (the partnership formed by ALA and Primestor) may be included in the construction and permanent financing obtained pursuant to the issuance of the Bonds. The Bonds will be repaid solely by the Project and ALA and Primestor will pay all fees and related costs. The Resolution also authorizes the Executive Director of the LACDA to submit an application for the Bonds to the California Debt Limit Allocation Committee (CDLAC).

The proposed actions are not a project pursuant to the California Environmental Quality Act (CEQA) because they are activities that are excluded from the definition of a project by Section

15378 (b) of the State CEQA guidelines. The proposed actions are administrative activities of government which will not result in direct or indirect physical change to the environment.

I, THEREFORE, MOVE that the Board of Supervisors, acting as the Board of Commissioners of the Los Angeles County Development Authority:

1) Adopt and instruct the Chair to sign a Resolution, as required under Treasury regulations, declaring an intent for the Santa Fe Springs Village LP; or an approved designee, to undertake bond financing in an amount not exceeding $18,112,500 to finance the Santa Fe Springs Village project (Project);
2) Authorize the Executive Director, or his designee, to submit an application to the California Debt Limit Allocation Committee for a private activity bond allocation of an aggregate amount not exceeding $18,112,500 for the purposes described herein;
3) Find that approval of these actions is not subject to the provisions of CEQA because the actions will not have the potential of causing a significant effect on the environment.

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RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY OFFICIAL DECLARATION OF INTENT TO UNDERTAKE THE FINANCING OF A MULTIFAMILY HOUSING PROJECT AND RELATED ACTIONS

WHEREAS, the Los Angeles County Development Authority (the "LACDA"), is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell multifamily housing mortgage revenue bonds or notes as part of a plan of financing for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, development and rehabilitation of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, Primestor Development, LLC, which will form a limited partnership which is expected to be Santa Fe Springs Village, LP (or an LACDA approved affiliate or assign, the "Borrower"), has requested that the LACDA issue and sell its multifamily housing mortgage revenue bonds or notes pursuant to the Act to provide financing (including reimbursement of Borrower's expenditures) for the acquisition, construction, development or rehabilitation of a multifamily rental housing development, consisting of 44 units to be located at 8023 Broadway Avenue (also known as 11330-11350 Washington Boulevard), in the City of Santa Fe Springs, in the County of Los Angeles, California (the "Project"); and

WHEREAS, this Board of Commissioners of the LACDA (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the LACDA to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to adopt this resolution (this "Resolution") and, for purposes of Section 8869.86(b) of the Government Code relating to the volume cap allocation by the California Debt Limit Allocation Committee ("CDLAC"), to authorize the issuance of multifamily housing mortgage revenue bonds or notes by the LACDA to finance the Project (the "Bonds") in a principal amount not to exceed $18,112,500; and

WHEREAS, the LACDA, in the course of assisting the Borrower in the financing of the Project, expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution and may incur additional Reimbursement Expenditures within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the LACDA to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the CDLAC prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, the City of Santa Fe Springs has approved the issuance by the LACDA of the bonds or notes for the Project within the City of Santa Fe Springs; and

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

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The above recitals, and each of them, are true and correct.

2. This Board hereby determines that it is necessary and desirable to provide a plan of financing for the Project by the issuance and sale of multifamily housing mortgage revenue bonds or notes pursuant to the Act and hereby authorizes, for purposes of Section 8869.86(b) of the Government Code and subject to Section 3 hereof, the issuance and sale of the Bonds in one or more series from time to time by the LACDA pursuant to a plan of financing, in aggregate principal amounts not to exceed $18,112,500. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the LACDA or any officer, agent or employee of the LACDA will grant any approval, consent or permit which may be required in connection with the acquisition and construction or rehabilitation of the Project or the issuance of the Bonds.

3. The issuance and sale of the Bonds shall be upon such terms and conditions as may be agreed upon by the LACDA, the Borrower, and the initial purchaser of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.

4. This Resolution is being adopted by the LACDA for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the LACDA hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this Resolution does not bind the LACDA to make any expenditure, incur any indebtedness, or proceed with the Project.

5. The Executive Director, or designees, of the LACDA are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the LACDA to the issuance the Bonds in one or more series from time to time for the Project in an amount not to exceed $18,112,500, to collect from the Borrower an amount equal to the performance deposit required by CDLAC and to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.

6. The Executive Director, or designees, 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 Bonds are to be issued and sold shall be approved by this Board in the matter provided by law prior to the sale thereof. All actions taken by officers of the LACDA in furtherance of the Project, the application to CDLAC for private activity bond allocation for the Project, and otherwise as authorized by this Resolution are hereby ratified and approved.

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

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PASSED AND ADOPTED by the Board of Commissioners of the Los Angeles County Development Authority, State of California, this 9th day of April, 2024, by the following vote:

AYES: Supervisors Solis, Mitchell, Barger and Horvath

NOES: 0

ABSENT: 0

ABSTAIN: 0

By: _____
Chair of the Board of Commissioners

ATTEST:

JEFF LEVINSON
Interim Executive Officer
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON,
County Counsel

By: _____
Deputy