

MOTION BY SUPERVISOR HILDA L. SOLIS

December 3, 2024

Adopt Resolution Approving the Deemed Reissuance of Tax-Exempt Multifamily Housing Mortgage Revenue Notes for Multifamily Housing in El Monte

The Ramona Metro Point project is a 51-unit, transit-oriented development located at 11016 Ramona Blvd., in the City of El Monte that consists of a mix of 24 one-bedroom units, 12 two-bedroom units, and 15 three-bedroom units. Twenty-four units are 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 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 Ramona Metro Point 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 includes 76 parking spaces (combination of tandem, tuck-under, and surface parking spaces), as well as bicycle storage facilities.

On May 4, 2021, January 25, 2022, and January 10, 2023, the Board approved various actions that authorized the Los Angeles County Development Authority (LACDA) to issue tax-exempt multifamily housing mortgage revenue notes (Notes) for project

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financing. Those Notes, which will be repaid solely through revenues from the project, were issued and the project has completed construction. The LACDA is authorized to issue multifamily housing mortgage revenue bonds or notes to assist in providing financing for nonprofit public benefit organizations or for-profit corporations with a public benefit project, including Ramona Metro Point, L.P. (Borrower). For the LACDA to issue Notes for this project, the LACDA and the County must complete 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.

Ramona Metro Point completed construction in September 2024, is almost fully leased, and is now converting to permanent financing. A deemed reissuance of the Notes in an amount not to exceed \$7,609,603 is needed because the Borrower and the owner of the Notes, which is also the lender under the Note financing (Lender), have agreed to various changes to the terms of the Notes, which changes in the aggregate result in a reissuance of the Notes for federal tax purposes. To allow the project to convert to permanent financing on the modified terms contemplated by the Borrower and the Lender, the Board's approval of a deemed reissuance is needed to satisfy Internal Revenue Code requirements.

On October 31, 2024, at its office located at 700 West Main Street in Alhambra the LACDA conducted a telephonic hearing regarding the issuance of the tax-exempt Notes to finance Ramona Metro Point. No comments were received at the hearing concerning the issuance of the tax-exempt Notes or the nature and location of the project.

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.

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

I, THEREFORE, MOVE that the Board of Supervisors:

1. Adopt and instruct the Chair to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the deemed reissuance of Multifamily Housing Mortgage Revenue Notes and related actions in an amount not to exceed an aggregate amount of \$7,609,603, which will be deemed to refinance a portion of the cost of the acquisition, construction and development of Ramona Metro Point, 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.

2. 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 SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE DEEMED REISSUANCE OF CERTAIN
MULTIFAMILY HOUSING MORTGAGE REVENUE NOTES AND RELATED ACTIONS

WHEREAS, the Los Angeles County Development Authority (the “LACDA”) intends to adopt a plan of financing and refinancing to sell and issue, from time to time, multifamily housing mortgage revenue notes in one or more series, and at no time to exceed \$7,609,603 in outstanding aggregate principal amount, in order to assist in the deemed reissuance (for federal income tax purposes) of a portion of the LACDA’s Multifamily Housing Mortgage Revenue Note (Ramona Metro Point) 2022 Series B (the “Notes”), which will be deemed to refinance a portion of the cost of the acquisition, construction and development 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”) owned by Ramona Metro Point, L.P. (the “Borrower”); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the deemed reissuance of the Notes is required to be approved prior to their deemed reissuance by the applicable elected representative of the governmental unit on whose behalf the Notes are expected to be deemed reissued 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 multifamily housing mortgage revenue 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 refinancing and the deemed reissuance of such Notes on October 31, 2024, and now desires that the Board of Supervisors approve the deemed reissuance 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 refinancing and the deemed reissuance of the Notes by the LACDA to refinance certain 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 refinancing and the deemed reissuance of 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 deemed reissued 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 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 3rd day of December, 2024, by the following vote:

AYES:
NOES: None
ABSENT: None
ABSTAIN: None



By Karmyn Berger
Chair of the Board of Supervisors

ATTEST:

EDWARD YEN,
Executive Officer-Clerk
of the Board of Supervisors

By [Signature]
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By Behnaz Jashatovan
Senior Deputy