

MOTION BY SUPERVISOR HILDA L. SOLIS

May 13, 2025

**Multifamily Housing Mortgage Revenue Bonds for the Esperanza Village Project**

The County of Los Angeles (County), through our Board of Supervisors (Board), is committed to creating housing opportunities for our residents. As part of this pro-housing strategy, the Board has supported the development or redevelopment of County properties that are suitable for affordable housing. One such property is the site that formerly housed MacLaren Hall, a Department of Children and Family Services facility located at 4024 Durfee Avenue in the City of El Monte. MacLaren Hall has been closed since 2003 and is an excellent opportunity to expand the availability of affordable housing in the County.

The Esperanza Village Affordable Housing Project (Project), a partnership between National Community Renaissance of California (National CORE) and Prima Development (Prima), spans 3.3 acres and features 202 residential units across two three-story buildings, along with 220 surface parking spaces for residents. Building 1 consists of 102 units, including 48 one-bedroom apartments, 28 two-bedroom apartments, and 26 three-bedroom apartments, one of which is designated as the manager's unit. Building 2 consists of 100 units reserved for seniors, including 99 one-bedroom apartments and one two-bedroom manager's unit. One hundred fifty-four units will be reserved for households earning up to 30% of Area Median Income (AMI) and 46 units will be reserved for households earning up to 70% of AMI.

The buildings are arranged around a centralized courtyard and offer a variety of amenities, such as rooftop decks, children's playgrounds, BBQ areas, and leisure spaces for residents. Additionally, the development includes multiple community rooms designed for resident gatherings, social services, and on-site classes or events. Community facilities also include on-site management offices and private spaces for intensive case

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**MOTION**

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management, supporting both residential needs and service delivery.

To assist in financing the 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 (collectively, Bonds) in an amount not to exceed \$80,000,000 is required. The Resolution establishes a base date after which costs incurred by National CORE and Prima, or an LACDA approved affiliate or assignee, 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 the borrower will pay all fees and related costs.

The Resolution also authorizes the Executive Director of the LACDA, or designee to submit an application for the Bonds to the California Debt Limit Allocation Committee on May 20, 2025. Because of the immediate need for affordable housing in the County of Los Angeles and to hasten the redevelopment of this County property, the Board is requested to suspend Section 22.1 of the Rules of the Board for this limited purpose.

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 Commissioners of the Los Angeles County Development Authority suspend Section 22.1 of the Rules of the Board for the limited purpose of authorizing the adoption of the bond financing resolution and related actions for the Esperanza Village project in advance of the May 20, 2025, application deadline; and

1. Adopt and instruct the Chair to sign a Resolution, as required under Treasury regulations, declaring an intent by National CORE and Prima (Borrower), or an affiliate or assignee approved by the Los Angeles County Development Authority (LACDA), to undertake bond financing in an amount not exceeding \$80,000,000 to finance the acquisition, construction, rehabilitation, and/or development of the Esperanza Village project.
2. Authorize the Executive Director, or designee, to submit an application to the California Debt Limit Allocation Committee for a private activity bond allocation in an aggregate amount not exceeding \$80,000,000 for the purposes described herein and 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 or notes are to be issued and sold shall be approved by the LACDA in the manner provided by law prior to the sale thereof.

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**, National Community Renaissance of California and Prima Development (which will form a new limited partnership entity to serve as, the “Borrower,” subject to approval by LACDA), 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 and rehabilitation of a multifamily rental housing development consisting of 202 units to be located at 4024 Durfee Road, in the City of El Monte, County of Los Angeles, California, initially known as “Esperanza Village” (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 \$80,000,000; 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 CDLAC prior to the issuance of multifamily housing mortgage revenue bonds; 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 \$80,000,000. 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 of Bonds in one or more series from time to time for the Project in an amount not to exceed \$80,000,000, 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 \_\_\_\_ day of \_\_\_\_\_, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: \_\_\_\_\_  
Chair of the Board of Commissioners

ATTEST:

EDWARD YEN  
Executive Officer  
of the Board of Commissioners

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON,  
County Counsel

By: Behnaz Tashakorian  
Deputy