

MOTION BY SUPERVISOR JANICE HAHN

Multifamily Housing Mortgage Revenue Bonds for the Veterans Commons Project

PATH Ventures and Abode Communities will act as co-developers for the Veteran Commons project. PATH Ventures is an organization that dedicates themselves to combatting the homelessness crisis by implementing a Housing First model that connects individuals to permanent housing and providing voluntary supportive services. Since 2013, PATH Ventures has connected more than 9,000 people to permanent homes and through this model it provides an opportunity for individuals to maintain their home stably. Abode Communities is a nonprofit social enterprise that has been rooted in community development throughout the State of California since 1968. Similar to PATH Ventures, Abode Communities focuses on service-enhanced affordable housing that promotes social, economic and physical transformation of underserved communities. Abode Communities addresses the growing disparity between income and housing affordability by providing resources for economic and environmental sustainability.

PATH Ventures and Abode Communities are now seeking to develop the Veteran Commons project. Consistent with their respective missions, the project is an affordable housing community that will serve low-income individuals and families with 100 service-enhanced affordable homes. The target population will be homeless veterans earning between 30% to 50% of the area median income (AMI) and families earning between 50% to 60% AMI. The project applied for and was

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awarded \$7 million in funding and 5 project-based vouchers, including 45 Veterans Affairs Supportive Housing (VASH) program vouchers, through the Los Angeles County Development Authority's (LACDA) Notice of Funding Availability, Round 27.

The Veteran Commons project, to be located at 11269 Garfield Avenue, in Downey, will be a modern campus-like collection of three buildings that will set the stage for the area's future as a major transit hub, with a station on Metro's future West Santa Ana rail line just a quarter mile from the site. The project will be comprised of 50 one-bedroom units, 40 two-bedroom units, and 10 three-bedroom units. The project will provide onsite amenities that include an outdoor courtyard, native landscaping, a barbeque area, play areas for children, a roof garden, and laundry rooms. In addition, there will be a community room with a teaching kitchen, a computer desk, bicycle storage, and onsite property management. Veteran Commons will include offices for case managers, as well as multiple indoor and outdoor spaces for group gatherings, including peer support groups and social programming. Residential supportive services will be provided by PATH and the property management will be provided by Abode Communities.

To assist in financing the Veteran Commons project, a Resolution by the Board of Commissioners of the LACDA, declaring the intent to issue Multifamily Mortgage Revenue Bonds or Notes in an amount not to exceed \$44,000,000 (Bonds) is required. This Resolution establishes a base date after which costs incurred by Veteran Commons, L.P. may be included in the construction and permanent financing obtained pursuant to the issuance of the Bonds. Veteran Commons, L.P. is a limited partnership that includes PATH Ventures and Abode

Communities as partners. The Bonds will be repaid solely through the Veteran Commons project and Path Ventures and Abode Communities 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).

Veteran Commons is a great opportunity to serve and provide housing to veterans and families struggling with homelessness. The amenities and services the project will provide will give individuals a sense of community and support that is in line with PATH Ventures' and Abode Communities' goal of stabilization through supportive services.

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 Borrower; or an LACDA-approved designee, to undertake bond financing in an amount not exceeding \$44,000,000 to finance the Project;
2. Authorize the Executive Director, or his designee, to submit an application to CDLAC for a private activity bond allocation of an aggregate amount not exceeding

\$44,000,000 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 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, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, PATH Ventures and/or Abode Communities which will form a limited partnership which is expected to be Veteran Commons, L.P. (or an LACDA approved affiliate or assign, the “Borrower”), has requested that the LACDA issue and sell its 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 100 units to be located at 11269 Garfield Avenue, in Downey, Los Angeles County, 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 to authorize the issuance of mortgage revenue bonds or notes by the LACDA to finance the Project (the “Bonds”) in a principal amount not to exceed \$44,000,000; 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 the California Debt Limit Allocation Committee (“CDLAC”) prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, the City of Downey will approve the issuance by the LACDA of the Bonds for the Project within the City of Downey prior to the closing of the 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 mortgage revenue bonds or notes pursuant to the Act and hereby authorizes 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 \$44,000,000. 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 and the Borrower and the initial purchasers 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 intended to qualify as a reimbursement resolution pursuant to Section 1.150-2 of the Treasury Regulations and, therefore, permit bond proceeds to reimburse the Borrower of Project expenditures incurred prior to the date of issuance of the Bonds. 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 proper officers 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 \$44,000,000, 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 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 Bonds are to be issued and sold shall be approved by this Board in the matter provided by law prior to the sale thereof.

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, Hahn, Barger and Horvath

NOES: 0

ABSENT: 0

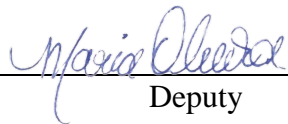
ABSTAIN: 0

By: 
Chair of the Board of Commissioners

ATTEST:

JEFF LEVINSON

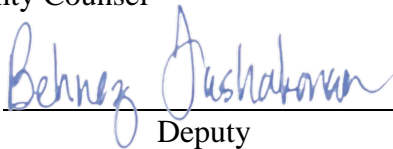
Interim Executive Officer
of the Board of Commissioners

By: 
Deputy



APPROVED AS TO FORM:

DAWYN R. HARRISON,
County Counsel

By: 
Deputy