

CITY OF LOS ANGELES
CALIFORNIA

HOLLY L. WOLCOTT
City Clerk

GREGORY R. ALLISON
Executive Office

When making inquiries relative to
this matter, please refer to the
Council File No.



ERIC GARCETTI
MAYOR

Office of the
CITY CLERK

Council and Public Services
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SHANNON HOPPE
Division Manager

www.cityclerk.lacity.org

February 4, 2015

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 14-0564-S1, at its meeting held February 3, 2015.

City Clerk
wrq

MOTION

Swansea Park Senior Apartments – Phase 2 is a housing project located at 5151 Romaine Street, Los Angeles, California. This project is to be owned by a to-be formed limited partnership between APEC International, LLC, a California limited liability company along with a tax credit investor limited partner and a nonprofit co-general partner. They have requested that the California Statewide Communities Development Authority (CSCDA) issue one or more series of revenue bonds in an aggregate principal not to exceed twenty-four million dollars (\$24,000,000) to assist in financing the acquisition, construction, and development of this 76-unit senior multifamily residential housing project.

Swansea Park Senior Apartments-Phase 1 is located directly adjacent to Phase 2, and was completed in 2011. Phase 1 consisted of the rehabilitation of an existing three-story 82 unit senior apartment building. The project serves seniors with low and very low incomes. The rehabilitation included new exterior stucco and paint, a new roof and new HVAC system. Each unit was re-carpeted, provided new blinds, and new heat and air conditioning units were installed in each apartment. The entire interior of the building was repainted and the front entry lobby of the building was remodeled.

Swansea Park Senior Apartments - Phase 2, located in Council District 13, is new construction of 76 affordable apartments that are targeted to low- and very-low income seniors with household incomes between 30 percent and 50 percent of Area Median Income. The development will include 65 one-bedroom units, 10 two-bedroom units, and 1 three-bedroom unit. The units will feature high speed data outlets and service, energy efficient appliances, low flow water utilities and individual heat and air conditioning units. The on-site community room will foster interaction and provide an area for residents to hold tenant meetings, as well as other social functions. In addition, the community room will be available to the neighborhood for use as a meeting place for discussion of items that may concern the neighborhood, such as Neighborhood Watch, etc.

The Project will be applying for 4 percent tax credits. Therefore, the project will not require an allocation of any portion of the City of Los Angeles' 9 percent tax credit allocation. No City funds are to be directed to this project. In addition, the developer will ensure that the project construction will abide by prevailing wage. A TEFRA hearing was previously held for this project on May 23, 2014 (C.F. 14-0564). As the project is not expected to receive financing until July 2015 and the results of the TEFRA hearing expire after one year, an updated TEFRA hearing is required. All facets of the project remain the same.

I THEREFORE MOVE that the Council:

1. Waive the City's Multifamily Bond Policy to allow the California Statewide Communities Development Authority (CSCDA) to issue the bonds on behalf of the project.
- AT

JAN 27 2015

2. Instruct the City Clerk to schedule a TEFRA Hearing on the agenda for the City Council meeting to be held on Wednesday, February 18, 2015 at 10:00 am located at 200 N. Spring Street, Room 300, Los Angeles, CA 90012.
3. Instruct the City Clerk to place on the agenda for the City Council meeting to be held on Wednesday, February 18, 2015 consideration of the TEFRA Hearing results and adoption of the attached TEFRA hearing Resolution following the TEFRA Hearing.

PRESENTED BY:


MITCH O'FARRELL

Councilmember, 13th District

SECONDED BY:



ORIGINAL

ADOPTED

FEB 3 2015

LOS ANGELES CITY COUNCIL

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES
APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY
HOUSING REVENUE BONDS FOR THE SWANSEA PARK SENIOR
APARTMENTS-PHASE 2

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 City of Los Angeles (the "City"), 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, a to be formed limited partnership established by APEC International, LLC or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the "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 \$24,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 76-unit senior multifamily rental housing project located at 5151 Romaine Street, Los Angeles, California, generally known as Swansea Park Senior Apartments-Phase 2 (the "Project") and managed by Eugene Burger Management Company; 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 City Council (this "City Council") are the applicable elected representatives of the City; and

WHEREAS, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

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

WHEREAS, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Project (the "Refunding Bonds"), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; 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 CITY COUNCIL OF THE CITY OF LOS ANGELES AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

Section 3. The officers of the City 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. The City Clerk shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the hearing notice to:

Justin Cooper, Esq.
Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, California 94105

Section 5. This resolution shall take effect immediately upon its passage.