

Pilgrim Tower Apartments, L.P., and Pico Union Housing Corporation, have requested that the City of Los Angeles through the Los Angeles Housing and Community Investment Department (HCID) issue Multifamily Housing Revenue Bonds, to finance the acquisition and rehabilitation of two affordable housing developments as follows:

Project Name	Address	Bond Amount
Pilgrim Tower Apartments	1207 S. Vermont Avenue, Los Angeles, CA 90006	\$23,000,000
Leaster Apartments	Greenview Apartments 825 Green Avenue, Los Angeles, 90017 Wadsworth Apartments 911 E. 120 th Street, Los Angeles, 90059 Miramar Apartments 1422-1430 Miramar Street, Los Angeles, 90026	\$17,000,000

The developers have pledged to comply with all City and HCID bond policies related to the work described in the attached staff report including, but not limited to, payment of prevailing wages for labor, compliance with relocation requirements of existing tenants, and project compliance monitoring with HCID.

In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and as part of the bond issuance process, HCID conducted the required public hearings on August 25, 2014 and January 29, 2015, respectively. Notices of the public hearings were published in the Los Angeles Times, as noted in the attached Resolutions. As part of the application process, HCID is required to provide proof to the California Debt Limit Allocation Committee that a TEFRA hearing was conducted.

The bond debt is payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the bonds. The City is a conduit issuer and is required by federal law to review and approve all projects within its jurisdiction and conduct a public hearing. To allow the loan to be incurred in accordance with CDLAC requirements, the Council should approve the minutes of the TEFRA hearing and adopt the required Resolutions (attached).

I THEREFORE MOVE that the City Council adopt the attached Resolutions and minutes of the public hearings held in accordance with Section 142 of the Internal Revenue Code of 1986, as amended, and Section 147(f) of the Code setting the official intent of the City to issue Multifamily Housing Revenue Bonds in the amount not to exceed \$23,000,000 for the Pilgrim Tower Apartments and up to \$17,000,000 for the Leaster Apartments.

PRESENTED BY:


GILBERT A. CEDILLO
Councilmember, 1st District

SECONDED BY:



ORIGINAL


FEB 4 2015

crm

FEB 11 2015



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacity.org

AFFORDABLE HOUSING BOND PROGRAM - TEFRA STAFF REPORT

Pilgrim Tower Apts.

BACKGROUND

HCID evidenced the official intent of the City of Los Angeles (the "City") to issue its tax-exempt revenue bonds ("Bonds") and induced the project on August 5, 2014 in the principal amount of \$23,000,000. The project was induced pursuant to the authority granted to the HCID General Manager by the City Council of the City of Los Angeles, by resolution of the City Council approved on April 20, 2005 (CF# 04-2646). Prior to the issuance of the bonds, HCID shall submit for Mayoral and Council approval the final financial structure of the bonds for these projects.

PROJECT INFORMATION

The subject site is located at 1207 S. Vermont Avenue, Los Angeles, CA 90006 in Council District One. The proposal entails the acquisition and rehabilitation of a multi-story apartment complex. When completed, the project will continue to provide affordable housing for seniors. Some of the amenities will include: a laundry room, a community room, a computer room, a picnic BBQ area, elevator service, 60 uncovered tenant parking spaces, gated site entry, and security patrol. Temporary relocation will be required as part of the rehabilitation work. There is currently a HUD Section 8 contract in place and the contract is expected to be renewed for 20 years.

The proposed Sponsor/Borrower is Pilgrim Tower Apartments, L.P., a California limited partnership which includes Brookmore Apartment Corporation (BAC), a California non-profit corporation, as its General Partner and Canoga Apartments Corporation (CAC), a California non-profit corporation, as its initial limited partner.

Units Mix:

UNIT TYPE	35% AMI	50% AMI	60% AMI	Mgr.	TOTAL
SRO		31	5		36
1-Bdr.		66	6	3	75
TOTAL		97	11	3	111

PREVAILING WAGES

The labor costs are subject to the higher of the State prevailing wages or City living wages for projects using tax-exempt bonds located within the City of Los Angeles. Federal Davis Bacon wages will apply when applicable.

FISCAL IMPACT STATEMENT

There will be no impact on the City's General Fund related to the issuance of the bonds. The City is a conduit issuer of the tax-exempt bonds. The bond debt is payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the bonds.

TEFRA PUBLIC HEARING MEETING MINUTES
MONDAY-AUGUST 25, 2014
10:00 AM
THE LOS ANGELES HOUSING AND COMMUNITY INVESTMENT
DEPARTMENT
1200 WEST 7TH STREET, ROOM 833
YANELI RUIZ, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Pilgrim Tower Apartments.

This meeting is called to order on Monday August 25, 2014 at 10:00 a.m. in Room 833 of the Los Angeles Housing and Community Investment Department.

A notice of this hearing was published in the Los Angeles Times on August 8, 2014. The purpose of this meeting is to hear public comments regarding the subject Multifamily Revenue Bonds.

The City of Los Angeles Housing and Community Investment Department representatives present were Yaneli Ruiz and Apolinar Abrajan.

The time is now 10:30 a.m. and seeing no other representatives from the public are present, this meeting is now adjourned.

I declare under penalty of perjury that this is a true and exact copy of the TEFRA hearing held for the above referenced project on August 25, 2014 at Los Angeles, California.

CITY OF LOS ANGELES
Los Angeles Housing and Community Investment Department
RUSHMORE D. CERVANTES, General Manager


Yaneli Ruiz
Supervisor, Affordable Housing Bond Program

RESOLUTION
CITY OF LOS ANGELES

A RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OF BONDS BY THE CITY OF LOS ANGELES TO FINANCE THE ACQUISITION, REHABILITATION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RESIDENTIAL RENTAL PROJECT LOCATED WITHIN THE CITY OF LOS ANGELES.

WHEREAS, the City of Los Angeles (the "City") is authorized, pursuant to Section 248, as amended, of the City Charter of the City and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (collectively, the "Law"), and in accordance with Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of California (the "Act"), to issue its revenue bonds for the purpose of providing financing for the acquisition, construction, rehabilitation and equipping of multifamily rental housing for persons and families of low or moderate income; and

WHEREAS, the City intends to issue for federal income tax purposes certain bonds (the "Bonds") the proceeds of which will be used to finance the acquisition, construction, rehabilitation and equipping of a multifamily rental housing project described in paragraph 6 hereof (the "Project"); and

WHEREAS, the Project is located wholly within the City; and

WHEREAS, it is in the public interest and for the public benefit that the City authorize the financing of the Project, and it is within the powers of the City to provide for such financing and the issuance of the Bonds; and

WHEREAS, the interest on the Bonds may qualify for a federal tax exemption under Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, pursuant to the Code, Bonds are required to be approved, following a public hearing, by an elected representative of the issuer of the Bonds (or of the governmental unit on behalf of which the Bonds are issued) and an elected representative of the governmental unit having jurisdiction over the area in which the relevant Project is located; and

WHEREAS, this City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bonds within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City caused a notice to appear in the *Los Angeles Times*, which is a newspaper of general circulation in the City, on August 8, 2014, to the effect that a public hearing would be held with respect to the Project on August 25, 2014 regarding the issuance of the Bonds; and

WHEREAS, the Los Angeles Housing and Community Investment Department held said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance of the Bonds; and

WHEREAS, the minutes of said hearing have been presented to this City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Los Angeles, as follows:

1. The recitals hereinabove set forth are true and correct, and this City Council so finds. This Resolution is being adopted pursuant to the Law and the Act.

2. Pursuant to and solely for purposes of Section 147(f) of the Code, the City Council hereby approves the issuance of the Bonds by the City in one or more series to finance the Project. It is intended that this Resolution constitute approval of the Bonds: (a) by the applicable elected representative of the issuer of the Bonds; and (b) by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f).

3. Pursuant to the Law and in accordance with the Act, the City hereby authorizes the Los Angeles Housing and Community Investment Department to proceed with a mortgage revenue bond program designed to provide housing within the City of Los Angeles for low- and moderate-income persons through the issuance of the Bonds for the Project, in one or more series and in amounts not to exceed those specified in paragraph 6 hereof.

4. Notwithstanding anything to the contrary hereof, the City shall be under no obligation to issue any portion of the Bonds described in paragraph 6 hereof to be issued by the City for the Project prior to review and approval by the City and the City Attorney of the documents, terms and conditions relating to such Bonds.

5. [Reserved].

6. The "Project" referred to hereof is as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Pilgrim Tower Apartments	1207 S. Vermont Avenue, Los Angeles, CA 90006	111 (including 3 manager units)	Pilgrim Tower, L.P.	\$23,000,000

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

PASSED AND ADOPTED this ____ day of _____, 2015 at Los Angeles, California.

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2015.

By _____

Title _____

RESOLUTION
CITY OF LOS ANGELES

A RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OF BONDS BY THE CITY OF LOS ANGELES TO FINANCE THE ACQUISITION, REHABILITATION, CONSTRUCTION OR EQUIPPING OF A SCATTERED SITE MULTIFAMILY RESIDENTIAL RENTAL PROJECT LOCATED WITHIN THE CITY OF LOS ANGELES.

WHEREAS, the City of Los Angeles (the "City") is authorized, pursuant to Section 248, as amended, of the City Charter of the City and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (collectively, the "Law"), and in accordance with Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of California (the "Act"), to issue its revenue bonds for the purpose of providing financing for the acquisition, construction, rehabilitation and equipping of a scattered site multifamily rental housing for persons and families of low or moderate income; and

WHEREAS, the City intends to issue for federal income tax purposes certain bonds (the "Bonds") to finance the acquisition, construction, rehabilitation and equipping of a scattered site multifamily rental housing project described in paragraph 6 hereof (the "Project"); and

WHEREAS, the Project is located wholly within the City; and

WHEREAS, it is in the public interest and for the public benefit that the City authorize the financing of the Project, and it is within the powers of the City to provide for such financing and the issuance of the Bonds; and

WHEREAS, the interest on the Bonds may qualify for a federal tax exemption under Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, pursuant to the Code, Bonds are required to be approved, following a public hearing, by an elected representative of the issuer of the Bonds (or of the governmental unit on behalf of which the Bonds are issued) and an elected representative of the governmental unit having jurisdiction over the area in which the relevant Project is located; and

WHEREAS, this City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bonds within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City caused a notice to appear in the *Los Angeles Times*, which is a newspaper of general circulation in the City, on January 15, 2015, to the effect that a public hearing would be held with respect to the Project on January 29, 2015 regarding the issuance of the Bonds; and

WHEREAS, the Los Angeles Housing and Community Investment Department held said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance of the Bonds; and

WHEREAS, the minutes of said hearing have been presented to this City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Los Angeles, as follows:

1. The recitals hereinabove set forth are true and correct, and this City Council so finds. This Resolution is being adopted pursuant to the Law and the Act.

2. Pursuant to and solely for purposes of Section 147(f) of the Code, the City Council hereby approves the issuance of the Bonds by the City in one or more series to finance the Project. It is intended that this Resolution constitute approval of the Bonds: (a) by the applicable elected representative of the issuer of the Bonds; and (b) by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f).

3. Pursuant to the Law and in accordance with the Act, the City hereby authorizes the Los Angeles Housing and Community Investment Department to proceed with a mortgage revenue bond program designed to provide housing within the City of Los Angeles for low- and moderate-income persons through the issuance of the Bonds for the Project, in one or more series and in amounts not to exceed those specified in paragraph 6 hereof.

4. Notwithstanding anything to the contrary hereof, the City shall be under no obligation to issue any portion of the Bonds described in paragraph 6 hereof to be issued by the City for the Project prior to review and approval by the City and the City Attorney of the documents, terms and conditions relating to such Bonds.

5. [Reserved].

6. The "Project" referred to hereof is as follows:

Project Name:	Address	#Units:	Project Sponsor	Maximum Amount:
Leaster Apartments (scattered site)	Greenview Apartments 825 Green Avenue, Los Angeles, CA 90017, Wadsworth Apartments 911 E. 120 th Street, Los Angeles, CA 90059 and Miramar Apartments 1422-1430 Miramar Street, Los Angeles, CA 90026	133	Pico Union Housing Corporation	\$17,000,000

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



Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacity.org



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

AFFORDABLE HOUSING BOND PROGRAM TEFRA STAFF REPORT

Leaster Apartments – CD 1, 13, 15

BACKGROUND

The Los Angeles Housing + Community Investment Department (HCIDLA) evidenced the official intent of the City of Los Angeles (the “City”) to issue its tax-exempt revenue bonds (“Bonds”) and induced the project on January 13, 2015 in the anticipated principal amount of up to \$17,000,000. The project will be induced pursuant to the authority granted to the HCIDLA General Manager by the City Council of the City of Los Angeles, by resolution of the City Council approved on April 20, 2005 (CF# 04-2646). Prior to the issuance of the bonds, HCIDLA shall submit for Mayoral and Council approval the final financial structure of the bonds for this project.

PROJECT INFORMATION

The proposed project entails the acquisition and rehabilitation of a 133-unit scattered site multi-family residential rental housing development that will continue to provide affordable housing for families. Project amenities include a laundry room, reception area/lobby, community center with kitchen, library/computer center, outdoor seating areas, and secured parking spaces. Each building will have slightly different rehabilitation work completed on it, but in general, the scope of work will include replacement of interior & exterior door, windows, sliding glass doors, kitchen cabinets, countertops, appliances, bathroom vanities, countertops, toilets, sinks, flooring on an as needed bases, water heaters and HVAC systems where needed, upgrades of irrigation system, upgrades to units and common areas to meet ADA compliance, repaint of all interiors and exteriors, and installation new energy star laundry equipment.

The Project Sponsor is Leaster Apartments, L.P. The Managing General Partner is Pico Union Housing Corporation.

Units Mix:

UNIT TYPE	50% AMI	60% AMI	Manager’s Unit	TOTAL
Studio	51	2		53
1-Bdr.	48	2	1	52
2-Bdr.	7	4		10
3-Bdr.	11	6	1	18
Total	117	14	2	133

PREVAILING WAGES

The labor costs are subject to the higher of the State prevailing wages or City living wages for projects using tax-exempt bonds located within the City of Los Angeles. Federal Davis Bacon wages will apply when applicable.

FISCAL IMPACT STATEMENT

There will be no impact on the City’s General Fund related to the issuance of the bonds. The City is a conduit issuer of the tax-exempt bonds. The bond debt is payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the bonds.

TEFRA PUBLIC HEARING MEETING MINUTES
THURSDAY – JANUARY 29, 2015
10:00 AM
HOUSING + COMMUNITY INVESTMENT DEPARTMENT
1200 WEST 7TH STREET, ROOM 833
YANELI RUIZ, CHAIR

This meeting is to conduct the required Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Public Hearing for the Leaster Apartments Projects.

This meeting is called to order on Thursday, January 29, 2015 at 10:00 a.m. in Room 833 of the Housing + Community Investment Department.

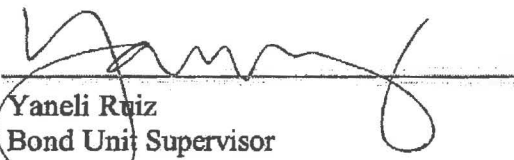
A notice of this hearing was published in the Los Angeles Times on January 15, 2015. The purpose of this meeting is to hear public comments regarding the subject Multifamily Revenue Bonds.

The City of Los Angeles Housing + Community Investment Department representatives present are Yaneli Ruiz and Carmen Erives.

The time is now 10:30 a.m. and seeing no representatives from the public are present, this meeting is now adjourned.

I declare under penalty of perjury that this is a true and exact copy of the TEFRA hearing held for the above referenced projects on January 29, 2015 at Los Angeles, California.

CITY OF LOS ANGELES
Housing + Community Investment Department
RUSHMORE D. CERVANTES, General Manager


Yaneli Ruiz
Bond Unit Supervisor
Affordable Housing Bond Program

PASSED AND ADOPTED this ____ day of _____, 2015 at Los Angeles, California.

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2015.

By _____

Title _____