

HOUSING COMMITTEE REPORT and RESOLUTION relative to the issuance of tax-exempt multifamily housing conduit revenue bonds to help finance the development of the Pilgrim Tower Apartments affordable housing development.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the accompanying RESOLUTION authorizing the issuance of up to \$17,800,000 in tax-exempt multifamily housing conduit revenue bonds for the development of the Pilgrim Tower Apartments affordable housing development located at 1207 South Vermont Avenue.
2. AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to negotiate and execute the loan agreement and related documents for the bonds for this project, including but not limited to the Indenture of Trust (Series H1), the Indenture of Trust (Series H2), and regulatory agreement, subject to the approval of the City Attorney as to form and legality.

Fiscal Impact Statement: The HCIDLA reports that this action will not impact the General Fund. The City of Los Angeles is a conduit issuer and does not incur liability for repayment of the bonds. The bonds are a limited obligation payable strictly from revenue from the project. The City will not be obligated to make payments on the bonds.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Mayor dated July 8, 2015, HCIDLA requests authority to issue its tax-exempt multifamily housing conduit revenue bonds in the amount of up to \$17,800,000 to help finance the development of an affordable housing development known as the Pilgrim Tower Apartments. The proposed development entails the acquisition and rehabilitation of an existing apartment building to provide affordable housing for senior citizens. When completed, the project will include elevator service, a laundry room, a community room, a computer room, a community garden, 60 parking spaces, gated entry, and security patrol. In addition, the project includes a two year project-based Section 8 contract; the contract is expected to be renewed for another 20 years. Per the California Debt Limit Allocation Committee, the bonds must be issued by September 8, 2015.

At its meeting held August 19, 2015, the Housing Committee recommended that Council approve the accompanying Resolution and authorize HCIDLA to issue the tax-exempt multifamily housing conduit revenue bonds for the Pilgrim Tower Apartments development.

Respectfully Submitted,

HOUSING COMMITTEE



| <u>MEMBER</u> | <u>VOTE</u> |
|----------------|-------------|
| CEDILLO: | YES |
| FUENTES: | YES |
| HUIZAR: | ABSENT |
| PRICE: | YES |
| HARRIS-DAWSON: | YES |

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-NOT OFFICIAL UNTIL COUNCIL ACTS-