

MOTION

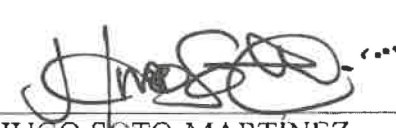
Montecito II Senior Housing, LP (Sponsor), has requested that the City of Los Angeles (City) through the Los Angeles Housing Department (LAHD) issue or reissue Multifamily Housing Revenue Bonds or Notes, in an amount not to exceed \$22,150,000 to finance and/or refinance the acquisition, construction, rehabilitation, and equipping of a 64-unit multifamily housing development known as Montecito II Senior Housing (Project). The Project is located at 6658 West Franklin Avenue in Council District 13 and will provide 63 units of affordable housing and one manager unit.

In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and as part of the bond issuance process, LAHD conducted the required public hearing on September 25, 2025. Notice of the public hearing was published on September 18, 2025. LAHD is required to provide proof to the California Debt Limit Allocation Committee (CDLAC) that a TEFRA hearing has been conducted as part of the application process. The Sponsor has pledged to comply with all City and LAHD bond policies related to the work described in this Motion, including but not limited to payment of prevailing wages for labor and project monitoring with LAHD.

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. The bond debt is payable solely from revenues or other funds provided by the Sponsor. The City does not incur liability for repayment of the bonds. To allow the bonds to be issued in accordance with CDLAC requirements, the Council should approve the minutes of the hearing and adopt the required Resolution (attached).

I THEREFORE MOVE that the City Council consider the attached results of the TEFRA public hearing held on September 25, 2025 for Montecito II Senior Housing and adopt the attached TEFRA Resolution approving the issuance or reissuance of bonds in an amount not to exceed \$22,150,000 to finance and/or refinance the acquisition, construction, rehabilitation, and equipping of a 64-unit multifamily housing development located at 6658 West Franklin Avenue in Council District 13.

PRESENTED BY:


HUGO SOTO-MARTINEZ
Councilmember, 13th District

SECONDED BY:

**ORIGINAL**
OCT 24 2025

RESOLUTION

A RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OR REISSUANCE OF BONDS OR NOTES BY THE CITY OF LOS ANGELES TO FINANCE OR REFINANCE 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 or reissue its revenue bonds or notes 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 or reissue for federal income tax purposes certain bonds or notes (the "Notes") the proceeds of which will be used to finance or refinance 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 or refinancing of the Project, and it is within the powers of the City to provide for such financing or refinancing and the issuance or reissuance of the Notes; and

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

WHEREAS, pursuant to the Code, Notes are required to be approved, following a public hearing, by an elected representative of the governmental lender of the Notes (or of the governmental unit on behalf of which the Notes are issued) and an elected representative of the governmental unit having jurisdiction over the area in which the 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 Notes 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, the terms of which are incorporated herein by reference, to appear on the website of the Los Angeles Housing Department (<https://housing2.lacity.org/highlights>) commencing on September 18, 2025, and continuing until not earlier than September 25, 2025, to the effect that a public hearing would be held on September 25, 2025, regarding the Project and the issuance or reissuance of the Notes, pursuant to a plan of financing in an amount not to exceed \$22,150,000; and

WHEREAS, the Los Angeles Housing Department held said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance or reissuance of the Notes; 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 or reissuance of the Notes by the City in one or more series up to the maximum amount of \$22,150,000 and a like amount of refunding bonds, pursuant to a plan of financing, to finance or refinance the Project. It is intended that this Resolution constitute approval of the Notes: (a) by the applicable elected representative of the governmental lender of the Notes; 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 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 or reissuance of the Notes for the Project, in one or more series and in an amount not to exceed \$23,700,000.
4. Notwithstanding anything to the contrary hereof, the City shall be under no obligation to issue any portion of the Notes described herein to be issued or reissued 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 Notes.
5. [Reserved].
6. The "Project" referred to hereof is as follows:

Project Name	# of Units	Address	Owner
Montecito II Senior Housing	64 (including one manager unit)	6658 West Franklin Avenue (also known as 6668 Franklin Avenue), Los Angeles, CA 90028	Montecito II Senior Housing, LP

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

TEFRA PUBLIC HEARING MEETING MINUTES
THURSDAY – SEPTEMBER 25, 2025
10:02 AM
LOS ANGELES HOUSING DEPARTMENT
BY TELECONFERENCE
ROBERT VERGARA, CHAIR

This meeting was conducted to meet the required Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) Public Hearing for Montecito II Senior Housing.

This meeting was called to order on Thursday, September 25, 2025 at 10:02 a.m. via teleconference by the Los Angeles Housing Department.

A notice of this hearing was published in various locations on the Los Angeles Housing Department website on September 18, 2025 (the “Notice”). The purpose of this meeting was to hear public comments regarding the City of Los Angeles’ proposed reissuance of multifamily housing revenue bonds or notes for the above referenced project.

The Los Angeles Housing Department representatives present were Robert Vergara, Donald Byers, Sonia Chavez-Meza, and Adam Miller. All representatives were present via teleconference as described in the Notice.

By 10:32 a.m. there were no other representatives from the public who made themselves available and no public comments were provided, so the meeting was adjourned.

I declare under penalty of perjury that this is a true and exact copy of the TEFRA public hearing meeting minutes regarding the above referenced projects held on September 25, 2025 at Los Angeles, California.

CITY OF LOS ANGELES
Los Angeles Housing Department
Tiena Johnson Hall, General Manager

Robert Vergara

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Vergara
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Robert Vergara, Financial Development Officer II, LAHD