

LAHD Request for Issuance of Bonds for the Prisma Project

Attachment A

Bond Resolution for the Prisma Project on next page

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the following good faith estimate is provided by Lument Real Estate Capital, LLC (the "Underwriter") and Citibank, N.A. (the "Permanent Lender"), at the request of West Hollywood Housing, L.P., to the City of Los Angeles (the "City") prior to the City's regular City Council (the "Council") meeting (the "Meeting") at which Meeting the Council will consider the authorization of conduit revenue obligations (the "Bonds") as identified below.

1. Name of Borrower: West Hollywood Housing, L.P.

2. Name of Bond Issue / Conduit Revenue Obligations: City of Los Angeles Multifamily Housing Revenue Bonds (Prisma Apartments) Series 2026D (the "Bonds").

3. Amount of Bond Issue / Conduit Revenue Obligations:

Series 2026D Bond Amount of: \$29,739,000
Tax-Exempt Permanent Loan of: \$11,650,000

4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower from which the Borrower obtained the following required good faith estimates relating to the Bonds:
 - (A) The true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of Bonds (to the nearest ten-thousandth of one percent): 4.771755%.
 - (B) The finance charge of the Bonds, which means the sum of all fees and charges paid to third parties: \$545,000.
 - (C) The amount of proceeds received by the public body for sale of the Bonds less the finance charge of the Bonds described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Bonds: \$29,194,000.
 - (D) The total payment amount, which means the sum total of all payments the borrower will make to pay debt service on the Bonds plus the finance charge of the Bonds described in subparagraph (B) not paid with the proceeds of the Bonds (which total payment amount shall be calculated to the final maturity of the Bonds): \$13,633,975.

This document has been made available to the public at the Meeting of the Council.

RESOLUTION

CITY OF LOS ANGELES

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF ONE OR MORE SERIES OF MULTIFAMILY BONDS OR NOTES BY THE CITY OF LOS ANGELES DESIGNATED AS ITS MULTIFAMILY HOUSING REVENUE BONDS (PRISMA APARTMENTS) SERIES 2026D IN A PRINCIPAL AMOUNT NOT TO EXCEED \$29,739,488 TO PROVIDE FINANCING FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE MULTIFAMILY HOUSING PROJECT SPECIFIED IN PARAGRAPH 18, AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A [TRUST INDENTURE], A FORM OF FUNDING LOAN AGREEMENT, A [LOAN AGREEMENT], A FORM OF BORROWER LOAN AGREEMENT, A REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS, AN OFFICIAL STATEMENT, A [BOND PURCHASE AGREEMENT] AND RELATED DOCUMENTS, AGREEMENTS AND ACTIONS, INCLUDING THE EXECUTION OF AMENDATORY DOCUMENTS THERETO.

WHEREAS, the City of Los Angeles (the “City”) is authorized, pursuant to the provisions of Section 248, as amended, of the City Charter (the “Charter”) of the City and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (the “Law”), to issue its revenue bonds, notes or other evidences of indebtedness for the purposes of providing financing for the acquisition, construction, rehabilitation, equipping and development of multifamily residential housing developments for persons and families of low or moderate income (the “Program”) which will satisfy the provisions of Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the “Act”); and

WHEREAS, the City now desires to issue its revenue bonds and notes, pursuant to the Law, and in accordance with the Act, to provide financing for the acquisition, construction and equipping of that multifamily rental housing project described below (the “Project”); and

WHEREAS, the Project will be 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 a financing and the issuance of such bonds and notes; and

WHEREAS, the City proposes to issue, pursuant to the Law and in accordance with the Act, its Multifamily Housing Revenue Bonds (Prisma Apartments) Series 2026D (the “Bonds”) in an aggregate principal amount not to exceed \$29,739,488 pursuant to this Resolution and a

[Trust Indenture] (the “Indenture”) by and between the City and such party as shall be designated by the City in the final form of the Indenture as trustee (the “Trustee”); and

WHEREAS, the City proposes to use the proceeds of the Bonds to fund a loan to the Borrower identified in paragraph 18 below (the “Borrower”) to finance a portion of the costs acquisition, construction, and equipping of the Project and, if applicable, to pay certain costs of issuance in connection with the issuance of the of the Bonds pursuant to a [Loan Agreement] (the “Loan Agreement”) between the City and the Borrower; and

WHEREAS, Lument Real Estate Capital, LLC (the “Underwriter”) has expressed the intention of the Underwriter to purchase the Bonds authorized hereby pursuant to the terms of a [Bond Purchase Agreement] (the “Bond Purchase Agreement”) among the City, the Borrower and the Underwriter; and

WHEREAS, the Bonds will be cash-collateralized with the proceeds of the construction-phase loan (the “Construction Loan”) from BMO Bank, N.A. (the “Construction Lender”), to the Borrower such that when the proceeds of the Bonds are drawn to pay for costs of the Project, corresponding draws on the Construction Loan will be deposited in a collateral fund held by the Trustee for security of the repayment of the principal and interest on the Bonds; and

WHEREAS, pursuant to a [Forward Commitment Agreement] (the “Forward Commitment Agreement”), Citibank, N.A., a national banking association (“Citibank”) is expected, on satisfaction of certain conditions, to facilitate the financing of the Project by making a loan to the City (the “Funding Loan”) pursuant to the below-defined Funding Loan Agreement and purchasing the below-defined Governmental Lender Note (“Conversion”); and

WHEREAS, at Conversion, (i) the Bonds will be tendered for purchase and purchased with proceeds of the Funding Loan together with other funds held by the Trustee pursuant to the Indenture, (ii) a portion of the principal amount of the Bonds will be cancelled such that the principal amount outstanding is equal to the Permanent Period Amount (as defined in the Forward Commitment Agreement and determined by Citibank at Conversion), (iii) the Bonds will be converted to a Multifamily Housing Revenue Note (Prisma Apartments) Series 2026D (the “Governmental Lender Note” and to describe the Governmental Lender Note or the Bonds, whichever may be outstanding from time to time, the “Obligations”) and purchased by Citibank, (iv) the Indenture and the Loan Agreement will be superseded by a Funding Loan Agreement and a Borrower Loan Agreement, respectively, and (v) the amounts on deposit in the Collateral Fund (as defined in the Indenture), together with other available funds, will be used to repay the Construction Loan; and

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

WHEREAS, pursuant to the Code, the Obligations are required to be approved, following a public hearing, by an elected representative of the issuer of the Obligations 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 Obligations 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 August 11, 2025, to the effect that a public hearing would be held on August 19, 2025, regarding the Project and the issuance of the Obligations pursuant to a plan of financing in an amount not to exceed \$39,000,000; 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 plan of financing; and

WHEREAS, the minutes of such public hearing, and any written comments received with respect thereto, have been presented to this City Council; and

WHEREAS, the Borrower has engaged the Underwriter and Citibank to provide to the City the following information as a good faith estimate of the cost of the financing, and the City disclosed such information in accordance with Section 5852.1 of the California Government Code: (a) the true interest cost of the Obligations, (b) the finance charge of the Obligations, including all third party expenses, (c) the amount of proceeds received by the City for the issuance, sale and delivery of the Obligations less the finance charge of the Obligations and any reserves or capitalized interest paid or funded with proceeds of the Obligations and (d) the total payment amount, all as reflected on the attached Exhibit A (the “Financing Information”); and

WHEREAS, such Financing Information has been disclosed in connection with the City Council meeting in which this Resolution is approved;

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.

2. Pursuant to the Law and in accordance with the Act, the Indenture and the Funding Loan Agreement, respectively, revenue obligations of the City, to be designated as “City of Los Angeles Multifamily Housing Revenue Bonds (Prisma Apartments) Series 2026D” or “City of Los Angeles Multifamily Housing Revenue Note (Prisma Apartments) Series 2026 D,” as applicable, in one or more series in a principal amount not to exceed \$29,739,488 are hereby authorized to be issued. The principal amount of the Obligations to be issued shall be determined by a Designated Officer (as defined below) in accordance with this Resolution.

3. The proposed form of Indenture, in substantially the form presented to this City Council, is hereby approved along with any additions or supplements which may, in the determination of a Designated Officer, be necessary to document the issuance of the Bonds authorized hereunder. The proposed form of a Funding Loan Agreement (the “Funding Loan Agreement”) by the City, Citibank, as funding lender, and the Trustee, as fiscal agent (in such capacity, the “Fiscal Agent”) which shall be executed, delivered, and become effective at Conversion and supersede the Indenture, in substantially the form presented to this City Council, is hereby approved along with any additions or supplements which may, in the determination of a Designated Officer, be necessary to document the execution and delivery of the Governmental Lender Note authorized hereunder. The Mayor of the City, the General Manager, any Acting General Manager, or any Interim General Manager, the Assistant General Manager, any Acting Assistant General Manager, or any Interim Assistant General Manager, Executive Officer or the Director or Acting Director—Finance and Development Division of the Housing Development Bureau of the Los Angeles Housing Department (each hereinafter referred to as a “Designated Officer”) are each hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Indenture and, at Conversion, the Funding Loan Agreement with such additions, changes or corrections (including, without limitation, designation of the Trustee and the Fiscal Agent) as the Designated Officer executing the same may approve upon consultation with the City Attorney and Bond Counsel to the City and approval by the City Attorney, provided that such additions or changes shall not authorize an aggregate principal amount of the Obligations in excess of the amount stated above, such approval by the City Attorney to be conclusively evidenced by the execution and delivery of the Indenture and the Funding Loan Agreement, as applicable, with such additions, changes or corrections.

4. The proposed form of Loan Agreement providing for the loan of the proceeds of the Bonds, in substantially the form presented to this City Council, is hereby approved along with any additions or supplements which may, in the determination of a Designated Officer, be necessary to document the issuance of the Bonds authorized hereunder. The proposed form of a Borrower Loan Agreement (the “Borrower Loan Agreement”) between the City and the Borrower which shall be executed, delivered and become effective at Conversion and supersede the Loan Agreement, in substantially the form presented to this City Council, is hereby approved along with any additions or supplements which may, in the determination of a Designated Officer, be necessary to document the execution and delivery of the Governmental Lender Note authorized hereunder. Any Designated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Loan Agreement and, at Conversion, the Borrower Loan Agreement, with such additions, changes or corrections (including, without limitation, designation of the Trustee and the Fiscal Agent) as the Designated Officer executing the same may approve upon consultation with the City Attorney and Bond Counsel to the City and approval by the City Attorney, such approval by the City Attorney to be conclusively evidenced by the execution and delivery of the Loan Agreement and Borrower Loan Agreement, as applicable, with such additions, changes or corrections.

Any Designated Officer shall be authorized to approve the appointment of the Trustee and the Fiscal Agent.

5. The proposed forms of the Bonds, as set forth in the Indenture, and the Governmental Lender Note, as set forth in the Funding Loan Agreement, are hereby approved, and the Mayor and City Treasurer, Interim City Treasurer or Deputy City Treasurer of the City are hereby authorized and directed to execute, by manual or facsimile signatures of such officers under the seal of the City, and the Trustee, the Fiscal Agent or an authenticating agent is hereby authorized and directed to authenticate, by manual signatures of one or more authorized officers of the Trustee or an authenticating agent, the Bonds or, at Conversion, the Governmental Lender Note, in substantially such form, and the Trustee is hereby authorized and directed to (a) issue and deliver such Bonds to the Underwriter in accordance with the Indenture and (b) at Conversion, execute and deliver such Governmental Lender Note to Citibank in accordance with the Funding Loan Agreement. The date, maturity dates, interest rate or rates (which may be either fixed or variable), interest payment dates, denomination, form of registration privileges, manner of execution, place of payment, terms of redemption, use of proceeds, series designation and other terms of the Obligations shall be as provided in the Indenture or the Funding Loan Agreement, respectively, as finally executed; provided, however, that the principal amount of the Obligations shall not exceed \$29,739,488, the interest rate on the Obligations shall not exceed 12% per annum, and the final maturity of the Obligations shall be no later than 40 years from the date of issuance of the Obligations. The initial purchase price of the Bonds shall be paid by the Underwriter pursuant to the Bond Purchase Agreement. The Bonds may, if so provided in the Indenture, be issued as “draw-down” bonds to be funded over time as provided in the Indenture. Such Bonds may be delivered in temporary form pursuant to the Indenture if, in the judgment of the City Attorney, delivery in such form is necessary or appropriate until the Bonds in definitive form can be prepared.

6. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into by and among the City, the Trustee and the Borrower, substantially in the form attached hereto, is hereby approved. Any Designated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver one or more Regulatory Agreements, with such additions, changes and corrections as the Designated Officer may approve upon consultation with the City Attorney and Bond Counsel to the City and approval by the City Attorney, such approval by the City Attorney to be conclusively evidenced by the execution of the Regulatory Agreement with such additions, changes or corrections. Any Designated Officer is hereby authorized and directed for and in the name and on behalf of the City to execute amendments to the Regulatory Agreement in order that interest on the Obligations remains tax-exempt.

7. The proposed form of Bond Purchase Agreement, in substantially the form presented to this City Council, is hereby approved. Any Designated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Bond Purchase Agreement, with such additions, changes or corrections as the Designated Officer executing the same may approve upon consultation with the City

Attorney and Bond Counsel to the City and approval by the City Attorney, such approval by the City Attorney to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement with such additions, changes or corrections.

8. The proposed form of Official Statement (the "Official Statement"), in substantially the form presented to this City Council, is hereby approved. The City Council hereby approves and authorizes the use and distribution by the Underwriter of a Preliminary Official Statement and/or an Official Statement in substantially such form to prospective purchasers of the Bonds. Any Designated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver, at the time of the sale of the Bonds, the Official Statement, with such additions, changes or corrections as the Designated Officer executing the same may approve upon consultation with the City Attorney and Bond Counsel to the City and approval by the City Attorney, such approval by the City Attorney to be conclusively evidenced by the execution of the Official Statement with such additions, changes or corrections.

9. All actions heretofore taken by the officers and agents of the City with respect to the issuance, sale and delivery of the Obligations are hereby approved, confirmed and ratified, and each Designated Officer of the City, the City Clerk and other properly authorized officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including, but not limited to, those described in the Indenture, the Funding Loan Agreement, the Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Obligations and the implementation of the Program in accordance with the Act and the Law and this Resolution and resolutions heretofore adopted by the City.

10. The City Clerk of the City or any deputy thereof is hereby authorized to countersign or to attest the signature of any Designated Officer and to affix and attest the seal of the City as may be appropriate in connection with the execution and delivery of any of the documents authorized by this resolution, provided that the due execution and delivery of said documents or any of them shall not depend on such signature of the City Clerk or any deputy thereof or affixing of such seal. Any of such documents may be executed in multiple counterparts.

11. In addition to the Designated Officers, any official of the City, including any official of the Los Angeles Housing Department, as shall be authorized in writing by the Mayor of the City, is hereby authorized for and on behalf of the City to execute and deliver any of the agreements, certificates and other documents, except the Bonds, authorized by this Resolution.

12. In accordance with procedures established by the Charter, the City Council, by adoption and approval of this Resolution and with the concurrence of the Mayor, does hereby direct that the proceeds of the Bonds be delivered directly to the

Trustee, instead of the City Treasurer, to be deposited into the funds and accounts established under the Indenture.

13. Pursuant to and solely for the purposes of Section 147(f) of the Code, the City Council hereby approves the plan of financing and the issuance its multifamily housing revenue bonds or notes in one or more series, including, but not limited to, the Obligations. It is intended that this Resolution constitute approval by the applicable elected representative of the issuer of the Obligations and 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).

14. Pursuant to the Charter all agreements to which the City is a party shall be subject to approval by the City Attorney as to form.

15. Each Designated Officer and other properly authorized officials of the City as specifically authorized under this resolution are hereby authorized, directed and empowered on behalf of the City and this Council to execute any other additional applications, certificates, agreements, documents or other instruments or any amendments or supplements thereto, subject to approval by the City Attorney as to form, or to do and to cause to be done any and all other acts and things as they may deem necessary or appropriate to carry out the purpose of the foregoing authorizations and to address any issues arising with respect to the Obligations or the agreements relating thereto subsequent to their issuance, including any amendments or supplements to such documents which effect a "reissuance" of the Obligations for federal income tax purposes and executing and delivering the Funding Loan Agreement and the Borrower Loan Agreement approved herein to be effective at Conversion and any additional documents required for tax compliance in connection therewith.

16. The Obligations shall contain a recital that they are issued pursuant to the Law and in accordance with the Act.

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

18. The "Project" and "Borrower", as used herein, shall have the following meanings:

Project Name	Number of Units	Address	Borrower
Prisma Apartments	98 units (including 1 manager's unit)	1350-1358 North Orange Drive and 6974 De Longpre Avenue, Los Angeles, California 90028	West Hollywood Housing, L.P.

[Remainder of page intentionally left blank]

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2026.

By _____
Name _____
Title _____

Exhibit A

(Financing Information)

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

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