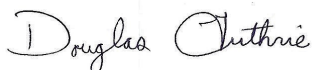


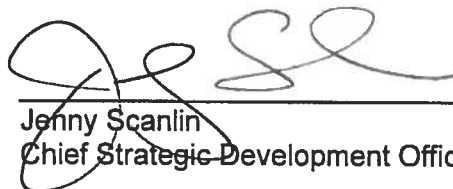
REPORT OF THE PRESIDENT & CEO

July 30, 2020

RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OF PRIVATE ACTIVITY BONDS OR NOTES BY THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES, SOLELY AS CONDUIT BOND ISSUER, TO FINANCE THE ACQUISITION, CONSTRUCTION, REDEVELOPMENT, REHABILITATION AND EQUIPPING OF ROSE HILL COURTS PHASE I



Douglas Guthrie
President & Chief Executive Officer



Jenny Scanlin
Chief Strategic Development Officer

Purpose: The purpose of this action is to assist in making low interest rate financing available for the acquisition, construction, redevelopment, equipping and rehabilitation of Rose Hill Courts Phase I (the "Development"). The Housing Authority of the City of Los Angeles (the "Authority") will serve in the capacity of a conduit issuer of private activity bonds, notes or other debt to finance the Development, thus the Authority will not be the obligor of the debt. The obligor of the debt will be Rose Hill Courts I Housing Partners, L.P., a California Limited Partnership (the "Borrower").

Regarding: On December 19, 2017, the BOC, by Resolution No. 9404, approved the Debt Management Policy of the Authority.

On September 27, 2018, the BOC, by Resolution No. 9455, approved the establishment of the Authority's Conduit Bond Program through adoption of the Housing Conduit Bond Policy.

On June 25, 2020, the BOC, by Resolution No. 9612, approved the Inducement of Rose Hill Courts Phase I.

Issues:

Tax-Exempt Private Activity Debt, CDLAC and CTCAC

For Rose Hill Courts Phase I, the Authority intends to submit a CDLAC-CTCAC Joint Application to (i) request a tax-exempt bond private activity debt issuance allocation from the California Debt Limit Allocation Committee ("CDLAC"); and, (ii) request 4% federal tax credits from the California Tax Credit Allocation Committee ("CTCAC"). The Borrower expects to obtain tax-exempt construction and permanent loans, in combination with tax credit equity raised from the syndication of 4% federal tax credits. The Authority intends to submit the Joint Application in September 2020.

The Development represents the Authority's third conduit debt issuance engagement; the first being Pueblo Del Sol Phase I, the second being Jordan Downs Phase S2. Staff will ensure that the private activity debt complies with the Authority's Housing Conduit Bond Policy (Resolution No. 9455), that associated

continuing disclosure requirements are timely executed (Resolution No. 9404), and that conduit issuance fees due to the Authority are collected.

The resolution that accompanies this report is an acknowledgement that Authority officers and staff properly performed the arrangement, scheduling, notification and execution of a public hearing concerning the proposed acquisition, redevelopment, rehabilitation, construction and equipping of the Development, and that these proceedings were conducted in accordance with the requirements of the Tax Equity and Fiscal Responsibility Act ("TEFRA").

Vision Plan: PLACE Strategy #1: Stabilize the physical and financial viability of the conventional public housing portfolio.

Bond authority developed and utilized. Growth in revenue from bond authority realized to support the Authority's objectives.

PLACE Strategy #2: Increase functionality and effectiveness of Asset Management portfolio.

Utilize available funding tools, including Tax Credits, conventional debt/equity, Project-Based Vouchers and RAD to achieve site-based improvements and stabilized operating income and ensure long-term affordability.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: No funds are necessary or obligated under this recommended action.

Budget and Program Impact: The budget impact of the conduit debt issuance is expected to be minimal.

Environmental Review: Not Applicable

Section 3: Not Applicable

Attachments:

1. Resolution

RESOLUTION NO. _____

RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986 THE ISSUANCE OF PRIVATE ACTIVITY BONDS OR NOTES BY THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES, SOLELY AS CONDUIT BOND ISSUER, TO FINANCE THE ACQUISITION, CONSTRUCTION, REDEVELOPMENT, REHABILITATION AND EQUIPPING OF ROSE HILL COURTS PHASE I

WHEREAS, The Housing Authority of the City of Los Angeles (the "Authority") is a public body, corporate and politic, duly created, established and authorized to transact business and exercise powers under and pursuant to the provisions of the Housing Authorities Law, Part 2 of Division 24 of the California Health and Safety Code (the "Act"), including the power to issue bonds or notes for any of its corporate purposes, including the power to issue revenue bonds or notes to provide financing for the acquisition, construction, rehabilitation and equipping of multifamily rental housing for persons and families of low to moderate income; and

WHEREAS, the Authority intends to issue for federal income tax purposes, certain private activity bonds or notes (the "Bonds"), pursuant to a plan of finance, the proceeds of which will be used to finance the acquisition, construction, redevelopment, rehabilitation or equipping of a multifamily rental housing development described in Section 4 below (the "Development"); and

WHEREAS, it is in the public interest that the Authority authorize financing of the Rose Hill Courts Phase I multi-family affordable development currently proposed for acquisition, construction, redevelopment, rehabilitation or equipping (the "Development") by Rose Hill Courts I Housing Partners, L.P. (the "Borrower"), and it is within the powers of the Authority 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, by the issuer of the Bonds and an elected representative of the governmental unit having jurisdiction over the area in which the relevant Development is located, following a public hearing; and

WHEREAS, the Board of Commissioners, on June 25, 2020 (Resolution #9612), authorized and directed the officers and staff of the Authority to take whatever further action may be deemed reasonable and desirable to issue and sell conduit bonds on behalf of the Development; and

WHEREAS, the Authority, as issuer of the Bonds, is required to obtain approval for the issuance of the Bonds from its Board of Commissioners, within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Authority caused a notice to appear on the Authority's publicly accessible Internet website, <http://www.hacla.org/News-Notifications/Notifications>, and the notice was posted at 11:30am (PST) on Tuesday, June 30, 2020, to the effect that a public hearing would be held with respect to the Development on Thursday, July 9, 2020, from 11:00pm to 12:00pm (PST) in via teleconference; and

WHEREAS, the Authority 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 posted to the Authority's website on July 20, 2020 and can be reviewed by the public and this Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners of the Housing Authority of the City of Los Angeles does hereby find, authorize and approve as follows:

Section 1. The recitals hereinabove set forth are true and correct and this Resolution is being adopted pursuant to the Act.

Section 2. Pursuant to and solely for purposes of Section 147(f) of the Code, this Board of Commissioners hereby approves the issuance of the Bonds by the Authority in one or more series up to the maximum amount specified in Section 4 below and a like amount of refunding bonds, pursuant to a plan of financing, to finance or refinance the Development. It is intended that this Resolution constitute approval of the Bonds by the issuer of the Bonds pursuant to the Code.

Section 3. Notwithstanding anything to the contrary hereof, the Authority shall be under no obligation to issue all or any portion of the Bonds for the Development described in Section 4 hereof prior to review and approval by the Authority of the final Development, the final plan of financing for the Development and the documents, terms and conditions relating to such Bonds.

Section 4. The "Development" referred to hereof is as follows:

Project Name:	Address:	# Units:	Project Sponsors:	Maximum Amount:
Rose Hill Courts Phase I	▪ 4466 Florizel Street, Los Angeles, CA 90032	89	Rose Hill Courts I Housing Partners, L.P.	\$47.30 million

BE IT FURTHER RESOLVED that this Resolution shall be effective upon its adoption.

APPROVED AS TO FORM:
JAMES JOHNSON

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

BY: _____
GENERAL COUNSEL

BY: _____
BEN BESLEY, CHAIRPERSON

DATE ADOPTED: _____