



Legislation Text

File #: 08-0805, **Version:** 1

Recommendation to receive supporting documentation into the record regarding the Tax Equity and Fiscal Responsibility Act (TEFRA) hearing held August 12, 2008; and adopt resolution approving the issuance of revenue bonds by the California Statewide Community Development Authority (CSCDA) to benefit New Hope Home, L.P., in an amount not to exceed \$9,000,000. (District 6)

New Hope Home, L.P., a California limited partnership and division of Barker Management, Incorporated (BMI), has requested the California Statewide Communities Development Authority (CSCDA) to issue bonds on its behalf in an aggregate amount not to exceed \$9,000,000 to finance the acquisition and rehabilitation of New Hope Home, located at 1150 New York Street, Long Beach, CA.

The CSCDA will issue tax-exempt debt, which will be loaned to New Hope Home, L.P. in an amount not to exceed \$9,000,000. New Hope Home (Project) is an existing 140 unit affordable senior rental housing complex. Although the Project is in relatively good physical condition, many areas need renovation and upgrading to prevent further deterioration.

CSCDA is a joint exercise of powers authority consisting of over 480 California cities, counties and special districts, including the City of Long Beach. BMI was formed 27 years ago with the concept of providing quality property management services to the affordable housing market. BMI began by managing federally assisted housing and has expanded over the years to include conventional housing and commercial property developments. Its specialty, however, continues to be the management of affordable housing.

The Internal Revenue Service (IRS) Code requires that CSCDA seek approval from the City Council of the bonds issued, a portion of which will benefit facilities within the City.

A Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing notification was published in the Press-Telegram on July 29, 2008. The TEFRA hearing was held on August 12, 2008 at 10:00 a.m. The public hearing, required by Federal tax law regulations, was conducted by the City Treasurer in the sixth floor conference room at City Hall. No public comment was presented.

This matter was reviewed by Assistant City Attorney Heather A. Mahood on July 18, 2008, and Budget Management Officer Victoria Bell on July 21, 2008.

City Council action is requested on August 19, 2008 to facilitate CSCDA's forthcoming debt issuance.

The proposed action has no fiscal impact on the City of Long Beach. The City has no financial obligation or liability associated with this financing. No City interest or taxing authority was pledged in support of this financing.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING THE
ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF
MULTIFAMILY HOUSING REVENUE BONDS FOR NEW HOPE HOME APARTMENTS

LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

DENNIS J. THYS
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER