

POLICY FOR THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS COUNCIL POLICY I-16

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POLICY OVERVIEW

- Adopted by the City Council to address financing matters for multifamily housing projects located in the City
- Staff reviews the Policy periodically to be consistent with the City's debt management objectives and industry development
- California Debt Limit Allocation Committee (CDLAC) requires the Policy be reviewed by counsel having expertise with relevant federal and state laws



PROPOSED AMENDMENT - GENERAL MATTERS

- TEFRA Hearing Fee
 - Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing Fee of \$5,000 was established in 2005 and has not been increased since
 - Amendment provides a path to increase the fee as adopted in the City's Schedule of Fees and Charges through City Council's annual approval process
- Annual Monitoring Fee
 - Policy allows for reduction in annual monitoring fee for non-profit or government agency project sponsors
 - Amendment clarifies that the City may grant reduced annual monitoring fee when none of the general partners of the project developer are for-profit



PROPOSED AMENDMENT – CITY FEES

- Clarify requirements for special circumstance exceptions
 - Policy allows bond issuance by another agency under limited circumstances upon City Council approval
 - Amendment requires the project sponsor notify the City of special circumstance exception at least 4 months before the California Debt Limit Allocation Committee (CDLAC) application deadline, to allow staff time to review and seek City Council approval
- Correct the regulatory reference of TEFRA Hearing
 - Tax Equity and Fiscal Responsibility Act was passed in 1982 and public approval requirement was imposed in 1986
 - Amendment accurately references the Internal Revenue Services code.



RECOMMENDATION

- 1) Accept the report recommending amendments to the Council Policy 1-16, Policy for the Issuance of the Multifamily housing Revenue Bonds
- 2) Adopt a resolution amending Council Policy 1-16, Policy for the Issuance of the Multifamily housing Revenue Bonds

