

LOMA LINDA HOUSING AUTHORITY

AGENDA

REGULAR MEETING OF MARCH 10, 2015

A regular meeting of the Housing Authority of the City of Loma Linda is scheduled to be held at 7:00 p.m. or as soon thereafter as possible, Tuesday, March 10, 2015 in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Reports and Documents relating to each agenda item are on file in the Office of the City Clerk and are available for public inspection during normal business hours. The Loma Linda Branch Library is also provided an agenda packet for your convenience. The agenda and reports are also located on the City's Website at www.lomalinda-ca.gov.

Materials related to an item on this Agenda submitted to the Housing Authority Board after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 25541 Barton Road, Loma Linda, CA during normal business hours. Such documents are also available on the City's website at www.lomalinda-ca.gov subject to staff's ability to post the documents before the meeting.

Persons wishing to speak on an agenda item are asked to complete an information card and present it to the City Clerk prior to consideration of the item. When the item is to be considered, please step forward to the podium, the Chair will recognize you and you may offer your comments. The Housing Authority meeting is recorded to assist in the preparation of the Minutes, and you are therefore asked to give your name and address prior to offering testimony.

The Oral Reports/Public Participation portion of the agenda pertains to items NOT on the agenda and is limited to 30 minutes; 3 minutes allotted for each speaker. Pursuant to the Brown Act, no action may be taken by the Housing Authority at this time; however, the Housing Authority Board may refer your comments/concerns to staff or request that the item be placed on a future agenda.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (909) 799-2819. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible.

Agenda item requests for the April 14, 2015 meeting must be submitted in writing to the City Clerk no later than NOON, MONDAY, March 23, 2015.

A. Call To Order

B. Roll Call

C. Items To Be Added Or Deleted

D. Oral Reports/Public Participation - Non-Agenda Items (Limited to 30 minutes; 3 minutes allotted for each speaker)

E. Conflict of Interest Disclosure - Note agenda item that may require member abstentions due to possible conflicts of interest

E. **Consent Calendar**

1. Demands Register
2. Minutes of February 24, 2015
3. Appropriate \$13,000 and Award contract for demolition of 10522 Poplar Street [**Public Works**]

F. **Old Business**

G. **New Business**

4. LLHA Bill #R-2015-02 - Approving the Homebuyer Loan Agreement for the sale of 25408 Durango Loop from Mario & Valerie Mosqueda to Junedi Sitorus and Telly Nurmala [**Secretary**]
5. Joint meeting with the City Council pertaining to Mid-year Budget Review [**Executive Director/Finance**]

H. **Chair and Member Reports**

I. **Reports of Officers**

J. **Adjournment**



City of Loma Linda Official Report

Rhodes Rigsby, Chairman
Phill Dupper, Vice-Chairman
Ovidiu Popescu, Member
Ronald Dailey, Member
John Lenart, Member

HOUSING AUTHORITY AGENDA: March 10, 2015
TO: Housing Authority Members
VIA: T. Jarb Thaipejr, Executive Director
FROM: Pamela Byrnes-O'Camb, Secretary
SUBJECT: Minutes of February 24, 2015

Approved/Continued/Denied By: Housing Authority Date _____
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RECOMMENDATION

It is recommended that the Housing Authority Board approve the Minutes of February 24, 2015.

Loma Linda Housing Authority

Minutes

Regular Meeting of February 24, 2015

A regular meeting of the Loma Linda Housing Authority was called to order by Chairman Rigsby at 7:08 p.m., Tuesday, February 24, 2015, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Board Members Present:

Chairman Rhodes Rigsby
Vice-Chairman Phill Dupper
Ovidiu Popescu
Ron Dailey

Board Members Absent:

John Lenart

Others Present:

Executive Director T. Jarb Thaipejr
General Counsel Richard Holdaway

No items were added to deleted; no public participation comments were offered upon invitation of the Chair and no conflict of interest were noted.

LLHA 2015-004 – Consent Calendar

Motion by Popescu, seconded by Dupper and unanimously carried to approve the following items. Board Member Lenart absent.

The Demands Register dated February 24, 2015 with commercial demands totaling \$1,141.49.

The minutes of February 10, 2015 as presented.

The meeting adjourned at 7:09 p.m.

Approved at the meeting of

Deputy Secretary



City of Loma Linda Official Report

Rhodes Rigsby, Chairman
Phillip Dupper, Vice-Chairman
Ronald Dailey, Board member
Ovidiu Popescu, Board member
John Lenart, Board member

COUNCIL AGENDA: March 10, 2015

TO: Loma Linda Housing Authority

FROM: T. Jarb Thaipejr, Executive Director

SUBJECT: Approve an Appropriation of \$13,000 from Loma Linda Housing Authority Fund Balance and Award Contract for Demolition of 10522 Poplar Street (CIP 15-833).

Approved/Continued/Denied
By Housing Authority
Date _____

RECOMMENDATION:

It is recommended that the Housing Authority approve an appropriation of \$13,000.00 from Housing Authority fund balance into Account No. 80-1800-1820. Then, it is recommended that the Housing Authority award the contract for the subject project to 5M Contracting of Tustin, in an amount not to exceed \$11,360.00 and approve a contingency amount of \$1,640.00.

BACKGROUND:

The Housing Authority owns several properties which require maintenance until final disposition. This home is an aged structure that is legal but a non-conforming use with current zoning. The previous tenant expired while living in the home, leaving the property in a state of disrepair. Staff recommends demolition and selling the land for assimilation with joining properties for a conforming use.

ANALYSIS:

Three (3) bids were received and opened on March 3, 2015 for this work. Bids ranged from a low of \$11,360.00 to a high of \$29,286.00 (see attached). The low bidder, 5M Contracting of Anaheim, has been checked for references and license. This contractor has performed similar acceptable work for the City. It is not unusual for a construction project to experience the need to add or reduce the quantities of work items or the scope of work as field conditions dictate. This is generally caused by unforeseen circumstances or work needed to maintain the integrity of the project. Therefore, Staff recommends an allocation of \$1,640 ($\pm 15\%$ of contract) for such circumstances.

FINANCIAL IMPACT:

Appropriate \$13,000.00 into Account No. 80-1800-1820 from Loma Linda Housing Authority fund balance.

City of Loma Linda

Bid Opening - March 3, 2015

DEMOLITION OF 10522 POPLAR STREET

				Engineering Estimate		5M CONTRACTING, INC.		TRYCO		J&G INDUSTRIES	
ITEM				UNIT		UNIT		UNIT		UNIT	
NO.	DESCRIPTION	UNIT	QUANTITY	PRICE	TOTAL	PRICE	TOTAL	PRICE	TOTAL	PRICE	TOTAL
1	10522 POPLAR ST. DEMOLITION	LS	1	18,000.00	18,000.00	11,360.00	11,360.00	18,900.00	18,900.00	29,286.00	29,286.00
	TOTAL				\$18,000.00		\$11,360.00		\$18,900.00		\$29,286.00



City of Loma Linda Official Report

Rhodes Rigsby, Chairman
Phillip Dupper, Vice-Chairman
Ovidiu Popescu, Member
Ronald Dailey, Member
John Lenart, Member

HOUSING AUTHORITY AGENDA: March 10, 2015

TO: Housing Authority

FROM: Pamela Byrnes-O'Camb, Secretary *plb*

VIA: T. Jarb Thaipejr, Executive Director

SUBJECT: LLHA Bill #R-2015-02 - Approving the Homebuyer Loan Agreement for the sale of 25408 Durango Loop from Mario & Valerie Mosqueda to Junedi Sitorus and Telly Nurmala

Approved/Continued/Denied By Housing Authority Date _____

RECOMMENDATION

It is recommended that the Housing Authority Board adopt LLHA Bill #R-2015-02.

BACKGROUND

The Housing Authority Board directed Staff to encourage prospective purchasers to pursue outside financing for transactions related to those properties which the Housing Authority has a long-term affordability covenant and for which buyers have been pre-qualified to purchase. The Board also indicated that, in appropriate cases, the Housing Authority would consider carrying back paper should outside financing prove to be unsuccessful.

After efforts to garner outside financing, Staff has observed that owners and prospective purchasers were unable to obtain financing from private sources due to certain common issues, such as the lack of appetite of private lenders to make loans that are subject to long term affordability covenants.

One of the properties which was developed in conjunction with an agreement with the former Loma Linda Redevelopment Agency is known by the address of 25408 Durango Loop, within the Parkside Development; that property is currently owned by Mario and Valerie Mosqueda. The Mosquedas have entered into an agreement with Junedi Sitorus and Telly Nurmala (together, the "Buyer"); the Buyer would purchase the subject property.

In order for the purchase and sale to be viable, the Housing Authority (which, as successor to the Loma Linda Redevelopment Agency, currently holds loans secured by the subject property) would make new loans, replacing the existing loans. These loans are described in the draft Homebuyer Loan Agreement which is on file with the City Clerk and has been made available to you. The loans made by the Redevelopment Agency relative to the subject property were among the housing assets transferred to the Loma Linda Housing Authority.

Under the proposed loans, the existing affordability covenants would remain in effect.

The Agreement provides for monthly payments which will conform to Affordable Housing Cost for Lower Income Households as set by the State Department of Housing and Community Development (HCD) under Health and Safety Code Sections 50052.5, 50079.5, and related regulations.

ANALYSIS

Housing Authority financing of the house would retain the affordability covenant, provide the buyer within the lower income category the opportunity to purchase a home, and would provide a revenue source for the Housing Authority by way of monthly payments.

FINANCIAL IMPACT

Sale of the Durango Loop property with loans payable to the Housing Authority would provide the Housing Authority with revenue over time in the form of monthly payments of principal and interest. The loans by the Housing Authority would involve an initial cash outlay by the Housing Authority of \$155,672.00; however, this amount would be more than recouped by the repayments of the loans.

RESOLUTION NO. ____

A RESOLUTION OF THE LOMA LINDA HOUSING AUTHORITY APPROVING A HOMEBUYER LOAN AGREEMENT WITH TELLY NURMALA AND JUNEDI SITORUS

(25408 Durango Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 authorized and directed the Loma Linda Redevelopment Agency (the "Agency") to expend a certain percentage of all taxes which are allocated to the Agency pursuant to Section 33670 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at affordable housing cost to persons and families of low- and moderate-income, lower income, and very low income; and

WHEREAS, pursuant to applicable law the Agency established a Low and Moderate Income Housing Fund (the "Housing Fund"); and

WHEREAS, pursuant to California Health and Safety Code Section 33334.2(e), in carrying out its affordable housing activities, the Agency was authorized to provide subsidies to or for the benefit of very low income and lower income households, or persons and families of low or moderate income, to the extent those households cannot obtain housing at affordable costs on the open market, and to provide financial assistance for the construction and rehabilitation of housing which will be made available at an affordable housing cost to such persons; and

WHEREAS, the Agency entered into an agreement, dated as of April 18, 1998 (the "Original Affordable Housing Agreement") with Gardner Construction and Development, Inc. (the "Developer"), which was amended by that certain Amended and Restated First Amendment to Affordable Housing Agreement dated as of September 14, 1999 (as amended, the "Affordable Housing Agreement") under which Developer agreed to purchase certain property from the Agency, construct houses thereon and offer a certain number of those houses at affordable housing cost to low income households, subject to covenants assuring long-term affordability; and

WHEREAS, one of the houses developed by the Developer under the Affordable Housing Agreement is located at property known as 25408 Durango Loop, Loma Linda (herein, the "Property", as more particularly described in the draft "Homebuyer Loan Agreement" in the form submitted herewith. The Property is required to be maintained and available at affordable housing cost to low income households (as such terms are defined below) pursuant to the Affordable Housing Agreement, as well as a Declaration of Conditions, Covenants and Restrictions and a Certificate Regarding Declaration of Conditions, Covenants and Restrictions, both as recorded among the official land records of the County of San Bernardino; and

WHEREAS, Mario Mosqueda and Valerie Mosqueda (collectively, the "Seller") acquired title to the Property from the Agency using a loan from CitiMortgage ("Citi"), which loan is referred to as the "Citi Loan", and a loan from the Agency (the "Agency Loan"); and

WHEREAS, ABx1 26, as adopted by the California Legislature in 2011 (the "2011 Dissolution Act") dissolved redevelopment agencies throughout the State of California, including

without limitation the Agency. Under the 2011 Dissolution Act, housing assets, such as the interests of the Agency in the Agency Loan and under other instruments recorded as to the Property (collectively, the "Property Interests"), were transferred to governmental entities as designated pursuant to the 2011 Dissolution Act; and

WHEREAS, acting as prescribed by the 2011 Dissolution Act, the City of Loma Linda (the "City") (i) elected to act as the successor agency to the Agency (acting in such capacity, the "Successor Agency") and (ii) designated the Authority to receive the housing assets of the Agency, including without limitation the Property Interests; and

WHEREAS, an oversight board (the "Oversight Board") has been established, acting under the 2011 Dissolution Act, for the Successor Agency. At its meeting of March 20, 2012, by its Resolution No. 2012-004, the Oversight Board approved and affirmed the transfer of the housing assets of the Agency to the Authority; and

WHEREAS, the Seller has entered into an agreement (the "Purchase and Sale Agreement") with Telly Nurmala ("Nurmala") and Junedi Sitorus ("Sitorus" and together with Nurmala, "Buyer" or "Program Participant") under which Seller will sell the Property to Buyer. In connection with such sale, Seller and Buyer propose that the Authority make loans in the combined amount of One Hundred Ninety One Thousand Six Hundred Seventy Two Dollars (\$191,672.00)(the "Authority Loan Amounts"), the proceeds of which will be used, in part, to satisfy the Citi Loan; and

WHEREAS, in connection with the sale by Buyer to Seller under the Purchase and Sale Agreement, the Authority will release and reconvey the deed of trust securing repayment of the Agency Loan and the Agency Loan will be deemed cancelled; and

WHEREAS, under the Homebuyer Loan Agreement, the Authority will retain deeds of trust as to the Property for the full amount of the Authority Loan Amounts ("Authority Deed of Trust"), and affordability covenants in place as to the Property will remain in full force and effect; and

WHEREAS, the terms of the Authority Loans are set forth in the draft Homebuyer Loan Agreement; and

WHEREAS, the Program Participant has acknowledged and agreed that the use of the Property will continue to be restricted to "Low Income Households" (households having an income of not to exceed eighty percent (80%) of median income, as defined in California Health and Safety Code Section 50079.5), all as more particularly provided in the Homebuyer Loan Agreement, and that the Property is required to continue to be maintained at "Affordable Housing Cost" for a Low Income Household, as defined by California Health and Safety Code Sections 50079.5 and 50052.5; and

WHEREAS, the Program Participant has represented and Authority staff has confirmed that the Program Participant requires financial participation by the Authority (in the form of the Authority Loans) in order to purchase the Property and would not be able to purchase the Property without such financial participation by the Authority. Program Participant is a Low Income Household; and

WHEREAS, Program Participant has represented and warranted to Authority that Program Participant and Program Participant's immediate family intend to reside in the Property as the family's principal residence at all times during the period of Program Participant's ownership of the Property; and

WHEREAS, the Authority wishes to lend, and Program Participant wishes to borrow, funds to enable Program Participant to purchase the Property (under the Purchase Agreement) upon the terms and conditions set forth in the Homebuyer Loan Agreement; and

WHEREAS, the Authority staff has reviewed the Program Participant's eligibility for acquisition of the Property as a Low Income Household; and

WHEREAS, the preservation of the Property as an affordable housing resource which continues to be available at Affordable Housing Cost to Low Income Households, subject to long-term covenants, assists in maintaining an existing covenant, promotes the affordable housing objectives of the Authority and furthers the provision of affordable housing and providing for mechanisms to better assure the long-term affordability of the Property; and

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Homebuyer Loan Agreement and believes that the Homebuyer Loan Agreement is in the best interests of the Authority and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements; and

WHEREAS, all actions required by all applicable law with respect to the proposed Homebuyer Loan Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the Authority has duly considered all of the terms and conditions of the proposed Homebuyer Loan Agreement and believes that the Homebuyer Loan Agreement is in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE LOMA LINDA HOUSING AUTHORITY DOES RESOLVE AS FOLLOWS:

Section 1. The Authority finds and determines that each of the recitals set forth above is true and correct.

Section 2. The Authority hereby approves the Homebuyer Loan Agreement in substantially the form presented to the Authority, subject to such revisions as may be directed by the governing board of the Authority and such changes as may be made by the Executive Director of the Authority or his designee. The Authority authorizes the Executive Director to release and reconvey the deed of trust securing repayment of the Agency Loan and to cancel the Agency Loan provided that the Authority Deeds of Trust are recorded and title insurance is provided for the benefit of the Authority as set forth in the Homebuyer Loan Agreement. The Executive Director of the Authority is hereby authorized to execute the Homebuyer Loan Agreement (including without limitation all attachments thereto) on behalf of the Authority, together with any instruments necessary or

Resolution No.
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convenient to implement the Homebuyer Loan Agreement, and to undertake such actions as are reasonable and necessary to further the implementation of the Homebuyer Loan Agreement. A copy of the Homebuyer Loan Agreement shall, when executed by the Authority, be placed on file in the office of the Secretary of the Authority.

APPROVED AND ADOPTED this 10th day of March, 2015 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

By: _____
Rhodes Rigsby, Chairman

ATTEST:

Pamela Byrnes-O'Camb, Authority Secretary