



City of Loma Linda Official Report

Rhodes Rigsby, Chairman
Ovidiu Popescu, Vice-Chairman
Stan Brauer, Member
Ronald Dailey, Member
Phillip Dupper, Member

HOUSING AUTHORITY AGENDA: May 22, 2012

Approved/Continued/Denied By Housing Authority Date _____

TO: Housing Authority

VIA: T. Jarb Thaipejr, Executive Director *T.J.T.*

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

SUBJECT: **Joint Public Hearing** of the City Council and Housing Authority pertaining to the sale of property and approving Housing Disposition Agreement between Alpen and Dewi Sagala and the City/Authority regarding 25368 Durango Loop; Yossimar and Blanca Pineda and City/Authority regarding 25458 Sonora Loop [City Clerk/Authority Secretary]

- a. LLHA Bill #R-2012-06 - Authorizing the sale of 25368 Durango Loop to Alpen and Dewi Sagala and approving the Housing Disposition Agreement
- b. Council Bill #R-2012-19 – Consenting to the sale of 25368 Durango Loop to Alpen and Dewi Sagala
- c. LLHA Bill #R-2012-07 - Authorizing the sale of 25458 Sonora Loop to Yossimar and Blanca Pineda and approving the Housing Disposition Agreement
- d. Council Bill #R-2012-20 – Consenting to the sale of 25458 Sonora Loop to Yossimar and Blanca Pineda

RECOMMENDATION

It is recommended that the City Council adopt Council Bills # R-2012-19 and 20 and the Authority Board adopt LLHA Bills #R-2012-06 & 07 approving the Housing Disposition Agreement between Alpen and Dewi Sagala and Yossimar and Blanca Pineda and the Loma Linda Housing Authority regarding 25368 Durango Loop and 25458 Sonora Loop, respectively.

BACKGROUND

Sale of residential units/properties was negatively impacted by the enactment of ABx1 26 (the “2011 Dissolution Act”) which provided generally for the dissolution of all redevelopment agencies in the State of California, and which effected, for several months, a freeze on the entering into of contracts. The 2011 Dissolution Act was challenged by litigation initiated during 2011; that litigation was decided by the California Supreme Court in a manner which upheld the 2011 Dissolution Act.

Under the 2011 Dissolution Act, housing assets of a redevelopment agency become assets of a successor housing agency as designated by the city council of the host city. In the case of housing assets of the

Redevelopment Agency, the Loma Linda City Council, which had previously activated a local housing authority, the Loma Linda Housing Authority ("Housing Authority" herein), designated the Housing Authority to receive the housing assets of the former Redevelopment Agency.

The houses are located in the Parkside Homes Development which consists of 58 single-family units of which 35 have long-term affordability covenants that run with the land for a state mandated period of time.

The former Redevelopment Agency purchased the houses directly from the previous owners. New buyers have qualified to purchase the houses and as previously authorized, the seller (LLHA), will carry back a mortgage for the amount of the purchase price (less any cash down payment by the homebuyers) for a period of up to 30 years. The covenants run with the land for a period of 45 years.

The Agreements also provide for monthly payments that include principal, interest, taxes, and insurance that comply with the Affordable Housing Cost for Lower Income Households as set by the State Department of Housing and Community Development (HCD) under Health and Safety Code Section 50052.5 and related regulations.

In connection with the implementation of the sale, the City would release the corresponding houses from the effect of a deed of trust recorded in favor of the City (as beneficiary) securing repayment of certain loans earlier made by the City to the former Redevelopment Agency.

ANALYSIS

Authority financing of the houses would retain the affordability covenants, provide the buyers within the lower income category the opportunity to purchase a home, and through Authority financing would also reduce probability of Program management issues. The payment schedules have been drafted pursuant to prior direction.

FINANCIAL IMPACT

Sale of the Durango Loop property (\$160,400.00) and the Sonora Loop property (\$160,000.00) will provide the Authority with funding to maintain and preserve its supply of affordable housing available to income-qualified persons and families pursuant to the Authority's Affordable Housing Program.

The Agreements may be viewed at the City Clerk's Office during normal business hours. Due to the volume of the agreements, Summary Reports only were included in the Agenda packet. The Agreements were made available on-line.

Attachments Council Bill #R-2012-19; #R-2012-20
 LLHA Bill #R-2012-06; #R-2012-07

RESOLUTION NO. _____

A RESOLUTION OF THE LOMA LINDA HOUSING AUTHORITY APPROVING AN AGREEMENT FOR THE DISPOSITION OF PROPERTY FOR AFFORDABLE HOUSING USE WITH ALPEN SAGALA AND DEWI SAGALA

(25368 Durango Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 formerly authorized and directed the Loma Linda Redevelopment Agency (the "Redevelopment Agency") to expend a certain percentage of all taxes which are allocated to the Redevelopment Agency pursuant to Section 33670 of the California Health and Safety Code 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 Redevelopment Agency established a Low and Moderate Income Housing Fund (the "Housing Fund") and acquired certain property with the purpose of using such property for the provision of affordable housing; and

WHEREAS, by ABx1 26 enacted by the California Legislature during 2011 (the "2011 Dissolution Act"), the California Legislature eliminated every redevelopment agency within the State of California, including without limitation the Redevelopment Agency; and

WHEREAS, the 2011 Dissolution Act provides, in part, that the host city of a redevelopment agency was to designate a housing entity to receive the housing assets of the former redevelopment agency within such city; and

WHEREAS, the City Council of the City of Loma Linda ("City") activated a housing authority, the Loma Linda Housing Authority (the "Authority") within the corporate limits of the City, and designated the Authority as the housing entity to receive the housing assets of the former Redevelopment Agency; and

WHEREAS, pursuant to the 2011 Dissolution Act, an oversight board ("Oversight Board") has been established to oversee the wind-up of the activities of the Redevelopment 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 Redevelopment Agency, including without limitation the Site, to the Authority; and

WHEREAS, the Redevelopment Agency utilized moneys from its Housing Fund in connection with the development of certain property, including without limitation a single-family residence located at 25368 Durango Loop (the "Site"); and

WHEREAS, the Site was developed and was sold for occupancy to households having an income of not greater than eighty percent of median income (a "Low Income Household") at a price which was not in excess of "Affordable Housing Cost" for a "Low Income Household" as affordable housing cost is determined pursuant to Health and Safety Code Section 50052.5, all as further set forth in covenants recorded as to the Site which restrict its use to occupancy as affordable housing by Low Income Households; and

WHEREAS, the Redevelopment Agency subsequently reacquired the Site, which remains improved with a single-family residence and is available for occupancy; and

WHEREAS, the Site is the property of the Authority as heretofore set forth as a result of the 2011 Dissolution Act and the actions taken by the Oversight Board by its Resolution No. 2012-004; and

WHEREAS, Alpen Sagala and Dewi Sagala, husband and wife (collectively, "Homebuyer") have offered to enter into an agreement with the Authority substantially in the form submitted herewith (the "Agreement") under which Homebuyer will purchase the Site, which is a single-family residence located at 25368 Durango Loop, for the purpose of residing at the Site; and

WHEREAS, Authority staff has determined that Homebuyer is a Low Income Household and that the price and terms under which the Site would be sold to Homebuyer under the Agreement does not exceed Affordable Housing Cost; and

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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, a joint public hearing of the Authority and City Council on the proposed Agreement was duly noticed; and

WHEREAS, on May 22, 2012, the governing board of the Authority and the City Council held a joint public hearing on the proposed Agreement, at which time the City Council and the Authority reviewed and evaluated all of the information, testimony, and evidence presented during the joint public hearing; and

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

WHEREAS, the Authority has reviewed the Summary Report and has evaluated other information provided to it pertaining to the findings proposed to be made hereunder; and

WHEREAS, the Homebuyer acknowledges that the use of the Site will be as an owner-occupied residence, all as more particularly provided in the Agreement; and

WHEREAS, under the Agreement, Authority would sell the Site to the Homebuyer under a form of deed (the "Authority Deed") which includes long-term affordability covenants limiting the use of property to affordable housing, or which acknowledges affordability covenants of record as to the Site; and

WHEREAS, the Site is subject to a deed of trust (the "City Deed of Trust") in favor of the City of Loma Linda (the "City") as beneficiary as security for repayment of certain moneys earlier loaned by the City; and

WHEREAS, the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City, and the City, in cooperation with the Authority to further the implementation of the affordable housing activities of the Authority, is agreeable to releasing the Site from the effect of the City Deed of Trust;

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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;

WHEREAS, the purchase price to be received by the Authority under the Agreement is not less than the fair reuse value of the Site, as determined by a reuse value analysis prepared for the Authority by Community Advisors, a consultant retained by the Authority;

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

WHEREAS, the Authority and the City Council have duly considered all of the terms and conditions of the proposed Agreement and believes that the sale of the Site pursuant to the Agreement is in the best interests of the City of Loma Linda 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 the statements set forth in the Recitals above are true and correct.

Section 2. The Authority finds and determines, based upon substantial evidence provided in the record before it: (i) the consideration for the Authority's disposition of the Site by sale pursuant to the terms and conditions of the Agreement, particularly including long-term affordability covenants, is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement; and (ii) the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City.

Section 3. The Authority hereby finds and determines that the disposition by sale of the Site by the Authority pursuant to the Agreement will further the achievement of the Authority's affordable housing objectives and is consistent with furthering the affordable housing objectives of the former Redevelopment Agency within a redevelopment project area.

Section 4. The Authority finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Authority's sale of the Site pursuant to the terms and conditions of the Agreement is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement.

Section 5. The Authority hereby finds and determines that the Agreement is consistent with the provisions and goals of the Implementation Plan, as provided for pursuant to Health and Safety Code Section 33490, as previously adopted by the Redevelopment Agency.

Section 6. The Authority hereby approves the Agreement in substantially the form presented to the Authority, subject to such revisions as may be made by the Executive Director of the Authority or his designee. The Executive Director of the Authority is hereby authorized to execute the Agreement (including without limitation all attachments thereto) on behalf of the Authority, together with any instruments necessary or convenient to implement the Agreement. A copy of the Agreement shall, when executed by the Authority, be placed on file in the office of the Secretary of the Authority.

Section 7. The Executive Director of the Authority (or his designee) is hereby authorized, on behalf of the Authority, to make revisions to the Agreement which do not materially or substantially increase the Authority's obligations thereunder or materially or substantially change the uses or development permitted on the Site, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Agreement and to administer the Authority's obligations, responsibilities and duties to be performed under the Agreement and related documents.

APPROVED AND ADOPTED this 22nd day of May, 2012 by the following vote:

Ayes:
Noes:
Absent:

By: _____
Rhodes Rigsby, Chairman

ATTEST:

Pamela Byrnes-O'Camb, Authority Secretary

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA CONSENTING TO THE APPROVAL BY THE LOMA LINDA HOUSING AUTHORITY OF AN AGREEMENT FOR THE DISPOSITION OF PROPERTY FOR AFFORDABLE HOUSING USE WITH ALPEN SAGALA AND DEWI SAGALA AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

(25368 Durango Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 formerly authorized and directed the Loma Linda Redevelopment Agency (the "Redevelopment Agency") to expend a certain percentage of all taxes which are allocated to the Redevelopment Agency pursuant to Section 33670 of the California Health and Safety Code 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 Redevelopment Agency established a Low and Moderate Income Housing Fund (the "Housing Fund") and acquired certain property with the purpose of using such property for the provision of affordable housing; and

WHEREAS, by ABx1 26 enacted by the California Legislature during 2011 (the "2011 Dissolution Act"), the California Legislature eliminated every redevelopment agency within the State of California, including without limitation the Redevelopment Agency; and

WHEREAS, the 2011 Dissolution Act provides, in part, that the host city of a redevelopment agency was to designate a housing entity to receive the housing assets of the former redevelopment agency within such city; and

WHEREAS, the City Council of the City of Loma Linda ("City") activated a housing authority, the Loma Linda Housing Authority (the "Authority") within the corporate limits of the City, and designated the Authority as the housing entity to receive the housing assets of the former Redevelopment Agency; and

WHEREAS, pursuant to the 2011 Dissolution Act, an oversight board ("Oversight Board") has been established to oversee the wind-up of the activities of the Redevelopment 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 Redevelopment Agency, including without limitation the Site, to the Authority; and

WHEREAS, the Redevelopment Agency utilized moneys from its Housing Fund in connection with the development of certain property, including without limitation a single-family residence located at 25368 Durango Loop (the "Site"); and

WHEREAS, the Site was developed and was sold for occupancy to households having an income of not greater than eighty percent of median income (a "Low Income Household") at a price which was not in excess of "Affordable Housing Cost" for a "Low Income Household" as affordable housing cost is determined pursuant to Health and Safety Code Section 50052.5, all as further set

forth in covenants recorded as to the Site which restrict its use to occupancy as affordable housing by Low Income Households; and

WHEREAS, the Redevelopment Agency subsequently reacquired the Site, which remains improved with a single-family residence and is available for occupancy; and

WHEREAS, the Site is the property of the Authority as heretofore set forth as a result of the 2011 Dissolution Act and the actions taken by the Oversight Board by its Resolution No. 2012-004; and

WHEREAS, Alpen Sagala and Dewi Sagala, husband and wife (collectively, "Homebuyer") have offered to enter into an agreement with the Authority substantially in the form submitted herewith (the "Agreement") under which Homebuyer will purchase the Site, which is a single-family residence located at 25368 Durango Loop, for the purpose of residing at the Site; and

WHEREAS, Authority staff has determined that Homebuyer is a Low Income Household and that the price and terms under which the Site would be sold to Homebuyer under the Agreement does not exceed Affordable Housing Cost; and

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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, a joint public hearing of the Authority and City Council on the proposed Agreement was duly noticed; and

WHEREAS, on May 22, 2012, the governing board of the Authority and the City Council held a joint public hearing on the proposed Agreement, at which time the City Council and the Authority reviewed and evaluated all of the information, testimony, and evidence presented during the joint public hearing; and

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

WHEREAS, the Authority has reviewed the Summary Report and has evaluated other information provided to it pertaining to the findings proposed to be made hereunder; and

WHEREAS, the Homebuyer acknowledges that the use of the Site will be as an owner-occupied residence, all as more particularly provided in the Agreement; and

WHEREAS, under the Agreement, Authority would sell the Site to the Homebuyer under a form of deed (the "Authority Deed") which includes long-term affordability covenants limiting the use of property to affordable housing, or which acknowledges affordability covenants of record as to the Site; and

WHEREAS, the Site is subject to a deed of trust (the "City Deed of Trust") in favor of the City of Loma Linda (the "City") as beneficiary as security for repayment of certain moneys earlier loaned by the City; and

WHEREAS, the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City, and the City, in cooperation with the Authority to further the implementation of the affordable housing activities of the Authority, is agreeable to releasing the Site from the effect of the City Deed of Trust;

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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, the purchase price to be received by the Authority under the Agreement is not less than the fair reuse value of the Site, as determined by a reuse value analysis prepared for the Authority by Community Advisors, a consultant retained by the Authority; and

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

WHEREAS, the Authority and the City Council have duly considered all of the terms and conditions of the proposed Agreement and believes that the sale of the Site pursuant to the Agreement is in the best interests of the City of Loma Linda 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 CITY COUNCIL OF THE CITY OF LOMA LINDA DOES RESOLVE AS FOLLOWS:

Section 1. The City Council finds and determines that the statements set forth in the Recitals above are true and correct.

Section 2. The City Council finds and determines, based upon substantial evidence provided in the record before it: (i) the consideration for the Authority's disposition of the Site by sale pursuant to the terms and conditions of the Agreement, particularly including long-term affordability covenants, is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement; and (ii) the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City.

Section 3. The City Council hereby finds and determines that the disposition by sale of the Site by the Authority pursuant to the Agreement will further the achievement of the Authority's affordable housing objectives and is consistent with furthering the affordable housing objectives of the former Redevelopment Agency within a redevelopment project area.

Section 4. The City Council finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Authority's sale of the Site pursuant to the

terms and conditions of the Agreement is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement.

Section 5. The City Council hereby finds and determines that the Agreement is consistent with the provisions and goals of the Implementation Plan, as provided for pursuant to Health and Safety Code Section 33490, as previously adopted by the Redevelopment Agency.

Section 6. The City Council consents to the approval by the Authority of the Agreement in substantially the form presented to the City Council, subject to such revisions as may be made by the Executive Director of the Authority or his designee.

Section 7. The City Council approves the release of the Site from the effect of the City Deed of Trust and authorizes and directs the City Manager to execute such instruments as are necessary or convenient to effectuate such release. In addition, the City Manager is authorized to execute a quitclaim or other instrument as may be necessary or convenient to facilitate the conveyance of the Site to the Homebuyer as provided under the Agreement.

APPROVED AND ADOPTED this 22nd day of May, 2012 by the following vote:

Ayes:
Noes:
Absent:

By: _____
Rhodes Rigsby, Mayor

ATTEST:

Pamela Byrnes-O'Camb, City Clerk

RESOLUTION NO. ____

A RESOLUTION OF THE LOMA LINDA HOUSING AUTHORITY APPROVING AN AGREEMENT FOR THE DISPOSITION OF PROPERTY FOR AFFORDABLE HOUSING USE WITH YOSSIMAR PINEDA AND BLANCA PINEDA

(25458 Sonora Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 formerly authorized and directed the Loma Linda Redevelopment Agency (the "Redevelopment Agency") to expend a certain percentage of all taxes which are allocated to the Redevelopment Agency pursuant to Section 33670 of the California Health and Safety Code 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 Redevelopment Agency established a Low and Moderate Income Housing Fund (the "Housing Fund") and acquired certain property with the purpose of using such property for the provision of affordable housing; and

WHEREAS, by ABx1 26 enacted by the California Legislature during 2011 (the "2011 Dissolution Act"), the California Legislature eliminated every redevelopment agency within the State of California, including without limitation the Redevelopment Agency; and

WHEREAS, the 2011 Dissolution Act provides, in part, that the host city of a redevelopment agency was to designate a housing entity to receive the housing assets of the former redevelopment agency within such city; and

WHEREAS, the City Council of the City of Loma Linda ("City") activated a housing authority, the Loma Linda Housing Authority (the "Authority") within the corporate limits of the City, and designated the Authority as the housing entity to receive the housing assets of the former Redevelopment Agency; and

WHEREAS, pursuant to the 2011 Dissolution Act, an oversight board ("Oversight Board") has been established to oversee the wind-up of the activities of the Redevelopment 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 Redevelopment Agency, including without limitation the Site, to the Authority; and

WHEREAS, the Redevelopment Agency utilized moneys from its Housing Fund in connection with the development of certain property, including without limitation a single-family residence located at 25458 Sonora Loop (the "Site"); and

WHEREAS, the Site was developed and was sold for occupancy to a households having an income of not greater than eighty percent of median income (a "Low Income Household") at a price which was not in excess of "Affordable Housing Cost" for a "Low Income Household" as affordable housing cost is determined pursuant to Health and Safety Code Section 50052.5, all as further set forth in covenants recorded as to the Site which restrict its use to occupancy as affordable housing by Low Income Households; and

WHEREAS, the Redevelopment Agency subsequently reacquired the Site, which remains improved with a single-family residence and is available for occupancy; and

WHEREAS, the Site is the property of the Authority as heretofore set forth as a result of the 2011 Dissolution Act and the actions taken by the Oversight Board by its Resolution No. 2012-004; and

WHEREAS, Yossimar Pineda and Blanca Pineda, husband and wife (collectively, "Homebuyer") have offered to enter into an agreement with the Authority substantially in the form submitted herewith (the "Agreement") under which Homebuyer will purchase the Site, which is a single-family residence located at 25458 Sonora Loop, for the purpose of residing at the Site; and

WHEREAS, Authority staff has determined that Homebuyer is a Low Income Household and that the price and terms under which the Site would be sold to Homebuyer under the Agreement does not exceed Affordable Housing Cost; and

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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, a joint public hearing of the Authority and City Council on the proposed Agreement was duly noticed; and

WHEREAS, on May 22, 2012, the governing board of the Authority and the City Council held a joint public hearing on the proposed Agreement, at which time the City Council and the Authority reviewed and evaluated all of the information, testimony, and evidence presented during the joint public hearing; and

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

WHEREAS, the Authority has reviewed the Summary Report and has evaluated other information provided to it pertaining to the findings proposed to be made hereunder; and

WHEREAS, the Homebuyer acknowledges that the use of the Site will be as an owner-occupied residence, all as more particularly provided in the Agreement; and

WHEREAS, under the Agreement, Authority would sell the Site to the Homebuyer under a form of deed (the "Authority Deed") which includes long-term affordability covenants limiting the use of property to affordable housing, or which acknowledges affordability covenants of record as to the Site; and

WHEREAS, the Site is subject to a deed of trust (the "City Deed of Trust") in favor of the City of Loma Linda (the "City") as beneficiary as security for repayment of certain moneys earlier loaned by the City; and

WHEREAS, the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City, and the City, in cooperation with the Authority to further the implementation of the affordable housing activities of the Authority, is agreeable to releasing the Site from the effect of the City Deed of Trust;

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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;

WHEREAS, the purchase price to be received by the Authority under the Agreement is not less than the fair reuse value of the Site, as determined by a reuse value analysis prepared for the Authority by Community Advisors, a consultant retained by the Authority;

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

WHEREAS, the Authority and the City Council have duly considered all of the terms and conditions of the proposed Agreement and believes that the sale of the Site pursuant to the Agreement is in the best interests of the City of Loma Linda 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 the statements set forth in the Recitals above are true and correct.

Section 2. The Authority finds and determines, based upon substantial evidence provided in the record before it: (i) the consideration for the Authority's disposition of the Site by sale pursuant to the terms and conditions of the Agreement, particularly including long-term affordability covenants, is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement; and (ii) the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City.

Section 3. The Authority hereby finds and determines that the disposition by sale of the Site by the Authority pursuant to the Agreement will further the achievement of the Authority's affordable housing objectives and is consistent with furthering the affordable housing objectives of the former Redevelopment Agency within a redevelopment project area.

Section 4. The Authority finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Authority's sale of the Site pursuant to the terms and conditions of the Agreement is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement.

Section 5. The Authority hereby finds and determines that the Agreement is consistent with the provisions and goals of the Implementation Plan, as provided for pursuant to Health and Safety Code Section 33490, as previously adopted by the Redevelopment Agency.

Section 6. The Authority hereby approves the Agreement in substantially the form presented to the Authority, subject to such revisions as may be made by the Executive Director of the Authority or his designee. The Executive Director of the Authority is hereby authorized to execute the Agreement (including without limitation all attachments thereto) on behalf of the Authority, together with any instruments necessary or convenient to implement the Agreement. A copy of the Agreement shall, when executed by the Authority, be placed on file in the office of the Secretary of the Authority.

Section 7. The Executive Director of the Authority (or his designee) is hereby authorized, on behalf of the Authority, to make revisions to the Agreement which do not materially or substantially increase the Authority's obligations thereunder or materially or substantially change the uses or development permitted on the Site, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Agreement and to administer the Authority's obligations, responsibilities and duties to be performed under the Agreement and related documents.

APPROVED AND ADOPTED this 22nd day of May, 2012 by the following vote:

Ayes:
Noes:
Absent:

By: _____
Rhodes Rigsby, Chairman

ATTEST:

Pamela Byrnes-O'Camb, Authority Secretary

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA CONSENTING TO THE APPROVAL BY THE LOMA LINDA HOUSING AUTHORITY OF AN AGREEMENT FOR THE DISPOSITION OF PROPERTY FOR AFFORDABLE HOUSING USE WITH YOSSIMAR PINEDA AND BLANCA PINEDA AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

(25458 Sonora Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 formerly authorized and directed the Loma Linda Redevelopment Agency (the "Redevelopment Agency") to expend a certain percentage of all taxes which are allocated to the Redevelopment Agency pursuant to Section 33670 of the California Health and Safety Code 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 Redevelopment Agency established a Low and Moderate Income Housing Fund (the "Housing Fund") and acquired certain property with the purpose of using such property for the provision of affordable housing; and

WHEREAS, by ABx1 26 enacted by the California Legislature during 2011 (the "2011 Dissolution Act"), the California Legislature eliminated every redevelopment agency within the State of California, including without limitation the Redevelopment Agency; and

WHEREAS, the 2011 Dissolution Act provides, in part, that the host city of a redevelopment agency was to designate a housing entity to receive the housing assets of the former redevelopment agency within such city; and

WHEREAS, the City Council of the City of Loma Linda ("City") activated a housing authority, the Loma Linda Housing Authority (the "Authority") within the corporate limits of the City, and designated the Authority as the housing entity to receive the housing assets of the former Redevelopment Agency; and

WHEREAS, pursuant to the 2011 Dissolution Act, an oversight board ("Oversight Board") has been established to oversee the wind-up of the activities of the Redevelopment 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 Redevelopment Agency, including without limitation the Site, to the Authority; and

WHEREAS, the Redevelopment Agency utilized moneys from its Housing Fund in connection with the development of certain property, including without limitation a single-family residence located at 25458 Sonora Loop (the "Site"); and

WHEREAS, the Site was developed and was sold for occupancy to households having an income of not greater than eighty percent of median income (a "Low Income Household") at a price which was not in excess of "Affordable Housing Cost" for a "Low Income Household" as affordable housing cost is determined pursuant to Health and Safety Code Section 50052.5, all as further set

forth in covenants recorded as to the Site which restrict its use to occupancy as affordable housing by Low Income Households; and

WHEREAS, the Redevelopment Agency subsequently reacquired the Site, which remains improved with a single-family residence and is available for occupancy; and

WHEREAS, the Site is the property of the Authority as heretofore set forth as a result of the 2011 Dissolution Act and the actions taken by the Oversight Board by its Resolution No. 2012-004; and

WHEREAS, Yossimar Pineda and Blanca Pineda, husband and wife (collectively, "Homebuyer") have offered to enter into an agreement with the Authority substantially in the form submitted herewith (the "Agreement") under which Homebuyer will purchase the Site, which is a single-family residence located at 25458 Sonora Loop, for the purpose of residing at the Site; and

WHEREAS, Authority staff has determined that Homebuyer is a Low Income Household and that the price and terms under which the Site would be sold to Homebuyer under the Agreement does not exceed Affordable Housing Cost; and

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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, a joint public hearing of the Authority and City Council on the proposed Agreement was duly noticed; and

WHEREAS, on May 22, 2012, the governing board of the Authority and the City Council held a joint public hearing on the proposed Agreement, at which time the City Council and the Authority reviewed and evaluated all of the information, testimony, and evidence presented during the joint public hearing; and

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

WHEREAS, the Authority has reviewed the Summary Report and has evaluated other information provided to it pertaining to the findings proposed to be made hereunder; and

WHEREAS, the Homebuyer acknowledges that the use of the Site will be as an owner-occupied residence, all as more particularly provided in the Agreement; and

WHEREAS, under the Agreement, Authority would sell the Site to the Homebuyer under a form of deed (the "Authority Deed") which includes long-term affordability covenants limiting the use of property to affordable housing, or which acknowledges affordability covenants of record as to the Site; and

WHEREAS, the Site is subject to a deed of trust (the "City Deed of Trust") in favor of the City of Loma Linda (the "City") as beneficiary as security for repayment of certain moneys earlier loaned by the City; and

WHEREAS, the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City, and the City, in cooperation with the Authority to further the implementation of the affordable housing activities of the Authority, is agreeable to releasing the Site from the effect of the City Deed of Trust;

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Agreement and believes that the 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;

WHEREAS, the purchase price to be received by the Authority under the Agreement is not less than the fair reuse value of the Site, as determined by a reuse value analysis prepared for the Authority by Community Advisors, a consultant retained by the Authority;

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

WHEREAS, the Authority and the City Council have duly considered all of the terms and conditions of the proposed Agreement and believes that the sale of the Site pursuant to the Agreement is in the best interests of the City of Loma Linda 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 CITY COUNCIL OF THE CITY OF LOMA LINDA DOES RESOLVE AS FOLLOWS:

Section 1. The City Council finds and determines that the statements set forth in the Recitals above are true and correct.

Section 2. The City Council finds and determines, based upon substantial evidence provided in the record before it: (i) the consideration for the Authority's disposition of the Site by sale pursuant to the terms and conditions of the Agreement, particularly including long-term affordability covenants, is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement; and (ii) the proposed sale of the Site will not generate moneys at closing sufficient to eliminate or materially reduce obligations to the City.

Section 3. The City Council hereby finds and determines that the disposition by sale of the Site by the Authority pursuant to the Agreement will further the achievement of the Authority's affordable housing objectives and is consistent with furthering the affordable housing objectives of the former Redevelopment Agency within a redevelopment project area.

Section 4. The City Council finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Authority's sale of the Site pursuant to the

terms and conditions of the Agreement is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement.

Section 5. The City Council hereby finds and determines that the Agreement is consistent with the provisions and goals of the Implementation Plan, as provided for pursuant to Health and Safety Code Section 33490, as previously adopted by the Redevelopment Agency.

Section 6. The City Council consents to the approval by the Authority of the Agreement in substantially the form presented to the City Council, subject to such revisions as may be made by the Executive Director of the Authority or his designee.

Section 7. The City Council approves the release of the Site from the effect of the City Deed of Trust and authorizes and directs the City Manager to execute such instruments as are necessary or convenient to effectuate such release. In addition, the City Manager is authorized to execute a quitclaim or other instrument as may be necessary or convenient to facilitate the conveyance of the Site to the Homebuyer as provided under the Agreement.

APPROVED AND ADOPTED this 22nd day of May, 2012 by the following vote:

Ayes:
Noes:
Absent:

By: _____
Rhodes Rigsby, Mayor

ATTEST:

Pamela Byrnes-O'Camb, City Clerk