

RESOLUTION NO. 70-06

RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND ACCEPTING THE SUMMARY REPORT PURSUANT TO SECTION 33433 AND APPROVING THE PURCHASE AND SALE AGREEMENT BETWEEN THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY AND RICHMOND LABOR OF LOVE LOCAL DEVELOPMENT CORPORATION FOR THE MACDONALD PLACE SENIOR HOUSING DEVELOPMENT

WHEREAS, the proposed Macdonald Place Senior Housing Development (“Development”) located on Macdonald Avenue between 3rd and 5th Streets will entail the construction of approximately 66 units of affordable rental housing for low-income seniors to be developed by Richmond labor of Love Local Development Corporation (“Developer”); and

WHEREAS, the Richmond Community Redevelopment Agency (“Agency”) is responsible for implementation of the Amended and Restated Redevelopment Plan for Project Area No. 10-A (Downtown) (“Project Area”), adopted by Ordinance No. 26-99 N.S. and dated July 13, 1999 (“Redevelopment Plan”). The Redevelopment Plan sets forth a plan for redevelopment of the Project Area consistent with the policies and standards of the General Plan of the City of Richmond (“City”) and the goals for the Redevelopment Plan include alleviation of blighting conditions and expanding the community’s supply of housing affordable to very low, low and moderate-income households; and

WHEREAS, the Agency holds fee simple title to a parcels at 300 Macdonald Avenue, 400 Macdonald Avenue and “0” Macdonald Avenue, Richmond, California, Contra Costa County Assessor’s Parcel Numbers (“APN”) 538-200-002, 538-200-003; 538-210-001, 538-210-025, 538-210-026; 538-200-004 within the Project Area (“Agency Property”), and

WHEREAS, the Developer currently is the owner of six parcels of real property which are adjacent to the Agency Property and identified as APN 538-200-005, 538-210-002 and 538-210-003 (the “Developer’s Property”) and it is the intention of the Developer to consolidate the Agency Property with the Developer’s Property as the site for the Development (the “Property”); and

WHEREAS, pursuant to the Redevelopment Plan, the Agency and the Developer desire to cause the development of the Property into a multi-unit housing development of approximately 66 rental units low-income senior households (the “Development”); and

WHEREAS, in furtherance of the Redevelopment Plan, Agency staff has prepared a Purchase and Sale Agreement (the “PSA”) with the Developer that provides for the disposition of the Agency Property to the Developer; and

WHEREAS, the Developer desires to acquire the Agency Property from the Agency and the Agency desires to convey the Agency Property to the Developer, subject to the terms and conditions of the PSA; and

WHEREAS, the Developer has secured a loan of One Million Three Hundred and Twenty-Five Thousand Dollars (\$1,325,000) of Section 108 Loan Funds (the “Loan”) from the City to assist in certain predevelopment activities in connection with the acquisition, development and construction of the Development; and

WHEREAS, the Developer intends to finance the construction of the Development with conventional and public agency financing including but not limited to a loan that the Agency may make to the Developer under a separate loan agreement and low income housing tax credits; and

WHEREAS, completion of the Development in the Project Area will further the Agency's goals of expanding the community’s supply of housing, including housing affordable to very low- and low- income households, and due to the fact that the Development is located in

the Project Area, it will assist in ameliorating blight in the Project Area, and will serve as a catalyst for redevelopment of the area; and

WHEREAS, the Community Redevelopment Law provides in Section 33433 that before any property acquired, in whole or in part, with tax increment monies, is sold or leased for development pursuant to a redevelopment plan, such sale or lease shall first be approved by the legislative body after a public hearing, that notice of the time and place of the hearing shall be published in a newspaper of general circulation in the community for at least two (2) successive weeks prior to the hearing, and that the Agency shall make available for public inspection a copy of the proposed sale or lease and a report containing specified information and the financial aspects of the proposal; and

WHEREAS, notice of the public hearing was published in the West County Times, on July 3 and July 10, 2006; and

WHEREAS, pursuant to Health and Safety Code section 33433, a report was prepared and made available for public inspection and copying no later than the time of publication of the first notice of the public hearing, which report includes a copy of the proposed PSA and a summary including the information required by Section 33433; and

WHEREAS, the City Council and the Agency Board held a joint public hearing on July 18, 2006, to consider the approval of the proposed PSA; and

WHEREAS, the City Council desires to approve the proposed PSA;

NOW THEREFORE, BE IT RESOLVED that the City Council hereby accepts the Macdonald Place Senior Summary Report pursuant to Section 33433 of the California Community Redevelopment Act on a Purchase and Sale Agreement by and between the Richmond Community Redevelopment Agency and Richmond Labor of Love Local Development Corporation pertaining to the Property, which is within Downtown Redevelopment Project Area 10A; and

BE IT FURTHER RESOLVED that the City Council hereby accepts findings set forth in the report that the sale or lease of the properties will assist in the elimination of blight, is consistent with the Redevelopment Plan for the Downtown Redevelopment Project Area 10A and that the consideration for the Property is not less than the fair reuse value based on the covenants, use conditions and development costs authorized by the sale or lease of the Property.

BE IT FURTHER RESOLVED that the City Council finds and determines that approval and implementation of the PSA, and the sale, lease and transfer of the Agency Property to the Developer as provided in the PSA will assist in the elimination of blight, and is consistent with the Five-Year Implementation Plan adopted by the Redevelopment Agency pursuant to Health and Safety Code Section 33490.

BE IT FURTHER RESOLVED that the City Council hereby approves the Purchase and Sale Agreement. Nothing in this resolution or the approvals and authorizations provided for herein shall be construed to approve or authorize the City Manager to take any actions or provide any approvals that are required by law to be taken and/or approved by the City Council.

BE IT FURTHER RESOLVED, that this Resolution shall take immediate effect from and after its passage.

I certify that the foregoing Resolution was duly passed and adopted by the City Council of the City of Richmond, California at a regular meeting thereof held on July 18, 2006, by the following vote:

Ayes: Councilmembers Bates, Butt, Marquez, McLaughlin, Rogers, Thurmond, Viramontes, and Mayor Anderson
Noes: None
Abstentions: None
Absent: Councilmember Griffin

DIANE HOLMES
Clerk of the City of Richmond

(SEAL)

Approved:

IRMA L. ANDERSON
Mayor

Approved as to form:

JOHN EASTMAN
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of Resolution No. 70-06, finally passed and adopted by the Council of the City of Richmond at a regular meeting held on July 18, 2006.