

DATE: 1/19/99 AGENDA ITEM # 5  
( ) APPROVED ( ) DENIED  
( ) CONTINUED TO \_\_\_\_\_

TO: James L. App, City Manager  
FROM: Robert A. Lata, Community Development Director *RAL*  
SUBJECT: Habitat for Humanity Assistance: City Council Action Regarding Budget  
DATE: January 19, 1999

Needs: For the City Council to conduct first reading of an Ordinance to Amend the Redevelopment Budget for Fiscal Year 1998/99 in conjunction with an allocation of Redevelopment Low and Moderate Income Housing (LMIH) Funds to offset Building Permit and Development Fees for three single family homes for low income households to be built by Habitat for Humanity.

- Facts:
1. At its meeting of November 17, 1998, the Redevelopment Agency adopted Resolution RA 98-07, which appropriated up to \$35,000 in LMIH Funds in the form of a grant to Habitat for Humanity to offset Building Permit and Development Fees for three single family homes for low income households.
  2. The Redevelopment Budget, including the LMIH Fund, is adopted by ordinance of the City Council. The Redevelopment Budget for Fiscal Year 1998/99 did not include an appropriation of LMIH funds for Habitat for Humanity.
  3. Attached is an Ordinance amending the Redevelopment Budget to affect the appropriation to Habitat for Humanity. Also attached is a copy of Resolution RA 98-07.

Analysis and Conclusion: The attached ordinance implements the Direction of the Redevelopment Agency given on November 17, 1998.

Policy Reference: Resolution RA 98-07, California Redevelopment Law

RIMC CODE  
DATE: January 19, 1999  
FILE PLAN/GEN CAT: CDD/Housing  
SUBJECT: Redevelopment LMIH Fund  
LOCATION: Housing Division Files  
RETENTION: 3 Years  
OTHER: ED\REDEV\HABITAT CC REPORT 011999

Fiscal Impact: The LMIH Fund is restricted to projects or programs that "improve, increase and preserve the supply of affordable housing within a community". The appropriation is consistent with this purpose

Options: a. Introduce for first reading the attached Ordinance Amending the Redevelopment Budget for Fiscal Year 1998/99 to allocate up to \$35,000 of LMIH funds to Habitat for Humanity in the form of a grant to offset City building permit and development fees related to the construction of three single family homes at 2939, 2947 and 2949 Vine Street and to set the date of February 2, 1999 for the Council to approve the ordinance.

b. Amend, modify, or reject the above option.

Prepared By:



Ed Gallagher  
Housing Programs Manager

Attachments:

1. Ordinance Amending the Redevelopment Budget for Fiscal Year 1998/99
2. Resolution RA 98-07

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF EL PASO DE ROBLES  
AMENDING CHAPTER 3.40 REVENUE AND FINANCE OF THE MUNICIPAL CODE  
TO MODIFY THE FISCAL YEAR 1998/99 BUDGET FOR THE  
REDEVELOPMENT AGENCY OF THE CITY OF EL PASO DE ROBLES**

The City Council of the City of El Paso de Robles, State of California, does ordain as follows:

**SECTION 1.** That a budget amendment, for Redevelopment Low and Moderate Income Housing Funds, in the amount of \$35,000 for payment of City Building Permit and Development Impact Fees for three single family homes to be built by Habitat for Humanity of San Luis Obispo County for purchase by low income families, budget account number 701-710-5450-211, for the Redevelopment Agency of the City of El Paso de Robles for the fiscal year commencing July 1, 1998 and ending June 30, 1999 is hereby approved and adopted for said fiscal year.

**SECTION 2.** That the budget amendment for expenditures as proposed shall be and become appropriated to the Agency for the respective objects and purposes therein set forth below, subject to expenditures pursuant to the provisions of all applicable statutes of this State.

**SECTION 3.** That the Agency hereby finds and determines:

- a. That the proposed budget amendment is for a Redevelopment activity consistent with California Health and Safety Code Section 33678 in that they are for carrying out the Redevelopment Project and related development activities, as defined in California Health and Safety Code Sections 33020 and 33021, and primarily benefit the Redevelopment Project.
- b. That the proposed budget amendment is for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing pursuant to California Health and Safety Code Section 33334.2.
- c. That none of the funds are to be used for the purposes of paying for employee or for contractual services for the City of El Paso de Robles or any other local government agency, except for such services which are directly related to Redevelopment activities as defined in California Health and Safety Code Sections 33020 and 33021 and the powers established in Community Redevelopment Law.

**SECTION 4.** That the appropriation and expenditure of funds shall be consistent with the terms as established by cooperative agreement between the Redevelopment Agency of the City of El Paso de Robles and the City of El Paso de Robles per Agency and City adopting implementing resolutions.

SECTION 5. Publication. The City Clerk shall cause this ordinance to be published once within fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Section 36933 of the Government Code.

SECTION 6. Effective date. This ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the 31st day after its passage.

Inconsistency. To the extent that the terms of provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinance(s), motion, resolution, rule or regulation governing the same subject, the terms of this Ordinance shall prevail with respect to the subject matter thereof and such inconsistent and conflicting provisions of prior ordinances, motions, resolutions, rules and regulations are hereby repealed.

SECTION 7. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, found to be invalid or unconstitutional, such finding shall not affect the remaining portion of this Ordinance.

The City Council hereby declares that it would have passed this ordinance by section, subsection, sentence, clause or phrase irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared invalid or unconstitutional.

Introduced at a regular meeting of the City Council held on January 19, 1999, and passed and adopted by the City Council of the City of El Paso de Robles on the 2nd day of February, 1999, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Mayor Duane J. Picanco

ATTEST:

\_\_\_\_\_  
Madelyn Paasch, City Clerk

ED\REDEV\HABITAT\REDEV BUD ORD

RESOLUTION NO. RA 98-07

A RESOLUTION OF THE PASO ROBLES REDEVELOPMENT AGENCY  
APPROPRIATING UP TO \$35,000 IN LOW AND MODERATE INCOME HOUSING FUNDS  
TO ASSIST THE CONSTRUCTION OF THREE SINGLE FAMILY HOMES BY  
HABITAT FOR HUMANITY

WHEREAS, Habitat for Humanity for San Luis Obispo County, a nonprofit organization that constructs homes for low income households, has requested that the City of Paso Robles waive all building permit and other City fees related to the construction of the three single family homes it plans to build on three existing vacant, infill lots at 2939, 2947 and 2949 Vine Street; and

WHEREAS, based on preliminary information supplied by Habitat for Humanity regarding the size of the proposed homes, the City has estimated that the cost of building permit and development impact fees for the three homes will be about \$31,000; and

WHEREAS, Program 1.21 of the Housing Element calls for the City to consider a schedule of reduced fees for low income housing, along with a strategy for shifting costs/creating off-setting revenues; and

WHEREAS, The City's Economic Strategy calls for the City to reduce low income housing costs via several methods that include fee waivers and other incentives; and

WHEREAS, On February 3, 1998, the Redevelopment Agency adopted Resolution RA 98-03, amending the Implementation Plan to establish new priorities for use of LMIH funds, including use of one-half of the balance of LMIH funds in 1998 for assisting development and rehabilitation of single and multiple family housing; and

WHEREAS, Policies 1.6 and 1.8 of the Housing Element call for the City to encourage the dispersal of housing for low income households throughout the City and to encourage development of infill lots; and

WHEREAS, at a meeting conducted on November 4, 1998, the Project Area Committee considered Habitat for Humanity's request and recommended that the Redevelopment Agency approve the requested assistance in the form of a grant; and

NOW, THEREFORE, BE IT RESOLVED, by the Paso Robles Redevelopment Agency to appropriate up to \$35,000 in Redevelopment Low and Moderate Income Housing funds to assist the development of three single family homes for low income households subject to the following conditions:

1. The form of financial assistance will be a grant.
2. Habitat for Humanity shall enter into an Owner Participation Agreement (OPA) with the Redevelopment Agency, which shall set forth the conditions for the assistance.

3. The OPA shall provide that buyers of the three homes qualify as "Lower Income Households", as defined by Health and Safety Code Section 50079.5.
4. As required by Health and Safety Code Section 33334.3(f), affordability covenants or restrictions shall be recorded against the subject three properties. These covenants or restrictions shall serve to limit resale prices of the three homes to levels affordable to "Lower Income Households", as set forth in Health and Safety Code Section 50052.5, for a period of at least 10 years.

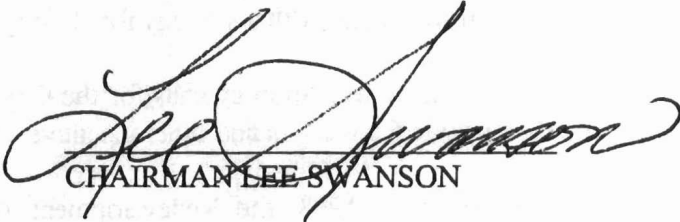
PASSED AND ADOPTED THIS 17th day of November, 1998 by the following roll call vote:

AYES: Baron, Iversen, Macklin, Picanco, and Swanson

NOES: None

ABSENT: None

ABSTAIN: None



CHAIRMAN LEE SWANSON

ATTEST:



MADELYN PAASCH, SECRETARY