

RESOLUTION NO. RA 02-05

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF PASO ROBLES
RESERVING REDEVELOPMENT LOW AND MODERATE INCOME HOUSING FUNDS
TO ASSIST THE DEVELOPMENT OF LOW INCOME SENIOR HOUSING
AT OAK PARK PUBLIC HOUSING

WHEREAS, in November 2000, the Paso Robles Housing Authority was informed that the federal government approved a Economic Development Initiative - Special Project Grant of \$498,900 to develop as many as 40 housing units for low income seniors at Oak Park Public Housing (the "Project"); and

WHEREAS, in 1985, an Article 34 referendum to construct up to 75 units of low income senior housing at the northeast corner of 28th and Park Streets (on Public Housing property) was passed by the voters of the City of Paso Robles ("City"); and

WHEREAS, at its meeting of October 16, 2001, the Redevelopment Agency of the City of Paso Robles ("Agency") adopted Resolution RA 01-11 to appropriate \$25,000 in Low and Moderate Income Housing (LMIH) Funds to defray the Project's costs for preparation of environmental studies and architectural plans; and

WHEREAS, in 2002, the Housing Authority formed the Paso Robles Nonprofit Housing Corporation ("Corporation") for the purpose of developing, owning and maintaining the Project; and

WHEREAS, the City of Paso Robles estimates that the cost of building permit and development impact fees for the Project will be \$520,000; and

WHEREAS, the Corporation has requested that the Agency grant \$520,000 in LMIH Funds for the purpose of offsetting City building permit and development impact fees for the Project; and

WHEREAS, the Agency has provided grants of LMIH Funds to other low income senior housing projects, to wit, Los Robles Terrace (\$120,000 to offset City fees) and Creekside Gardens (\$635,000 for land acquisition and project development costs); and

WHEREAS, the Project would help the City meet its low-income housing needs, as set forth in the 1994 Housing Element of the General Plan; and

WHEREAS, the Project would further the Agency's goals and objectives set forth in the Redevelopment Plan for the Paso Robles Redevelopment Project and the 1999 Redevelopment Implementation Plan for the use of Redevelopment Low and Moderate Income Housing (LMIH) Funds; and

WHEREAS, the 1999 Redevelopment Implementation Plan provides that the Agency may consider requests to use LMIH Funds to assist large-scale multi-family projects (those with more than 12 dwelling units), following a recommendation by the Project Area Committee; and

WHEREAS, Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) provides that the Agency may enter into Participation Agreements and may provide financial assistance for development of affordable housing opportunities within the community; and

WHEREAS, Community Redevelopment Law (Health and Safety Code Section 33334.3[f]) requires that any multi-family rental housing units assisted with LMIH Funds shall remain available at affordable housing costs to persons and families of low and moderate income and lower income households for the longest feasible time, but not less than fifty-five (55) years; and

WHEREAS, on December 4, 2002, the Project Area Committee (PAC) recommended that the Agency reserve \$520,000 in LMIH Funds to be a grant to the Corporation for the purpose of offsetting City building permit and development impact fees for the Project; and

WHEREAS, given prior commitments of LMIH Funds made by the Agency to other housing projects and programs and for administration of the City's Housing Programs, the available balance of LMIH Funds is presently less than \$520,000, and it may take one or more years before the Agency receives enough additional LMIH Funds to provide the requested \$520,000; and

WHEREAS, award of a grant of LMIH Funds needs to be addressed by a Participation Agreement which sets forth the terms and conditions relating to the LMIH grant, including without limitation an Affordable Housing Covenant (the "Affordability Covenant") to be executed by both parties and recorded against the Project; and

WHEREAS, as of the date of the Corporation's request, the following had not yet been completed: submittal to the City of a complete application for a development plan for the Project and evidence of pre-approved financing for the entire Project;

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1. Notwithstanding any and all prior Agency commitments of LMIH Funds to other housing projects and programs and annual allocations of LMIH Funds for administration of City housing programs, the Agency hereby reserves \$520,000 in future LMIH Funds to be a grant to the Corporation for the purpose of offsetting City building permit and development impact fees for the Project, subject to the following conditions:

1. This reservation shall expire six (6) months from the date of this resolution, unless the reservation period is extended by resolution of the Agency following a submittal of a written request by the Corporation.
2. The form of financial assistance to the Project will be a grant.
3. Prior to distribution of any grant funds, the Corporation shall enter into a Participation Agreement (PA) with the Redevelopment Agency, which shall set forth the terms and conditions for the grant.
4. As a prerequisite to obtaining the grant, Corporation shall submit to City a complete application for a development plan and evidence that full financing for the Project has been approved by the appropriate authorities for each source of financing.
5. The PA shall provide that the residents of the senior housing qualify as "Lower Income Households", as defined by Health and Safety Code Section 50079.5.

6. As required by Health and Safety Code Section 33334.3(f), affordability covenants or restrictions shall be recorded against the subject property. These covenants or restrictions shall serve to limit rent prices of the senior housing to levels affordable to "Lower Income Households", as set forth in Health and Safety Code Section 50052.5, for a period of at least 55 years.

PASSED AND ADOPTED by the Paso Robles Redevelopment Agency on this 17th day of December 2002 by the following vote:

AYES: Heggarty, Mecham, Nemeth, Picanco and Finigan
NOES: None
ABSENT: None
ABSTAIN: None

George P. Finigan, Chairman

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk