

RESOLUTION NO. RA 10-006

**A RESOLUTION OF THE REDEVELOPMENT AGENCY
OF THE CITY OF PASO ROBLES RESERVING UP TO \$270,000 IN
REDEVELOPMENT LOW AND MODERATE INCOME HOUSING FUNDS TO
ASSIST THE DEVELOPMENT OF SIX SINGLE FAMILY HOMES
FOR VERY LOW INCOME HOUSEHOLDS BY HABITAT FOR HUMANITY
FOR SAN LUIS OBISPO COUNTY**

WHEREAS, in a letter dated August 25, 2010, Habitat for Humanity for San Luis Obispo County (“Habitat”) requested that the City of El Paso de Robles (the “City”) provide financial assistance to acquire property at 2811 Vine Street (the “Property”) and a waiver of City building permit and development impact fees required for the construction of six single family residential units for very low income households on the Property (the “Project”); and

WHEREAS, Habitat is a non-profit organization and an affiliate to Habitat for Humanity International, which serves to build ownership housing for low and very-low income households; and

WHEREAS, in 2002, Habitat completed construction of three single family residential units for low and very low income households at 2929, 2947, and 2949 Vine Street; that project was assisted with a grant of \$35,000 in Redevelopment Low and Moderate Income Housing Funds for the purpose of offsetting a portion of City building permit and development impact fees; and

WHEREAS, at its meeting of November 16, 2010, the City Council considered Habitat’s request for financial assistance to the Project and determined that acquisition of the property would best be accomplished with CalHome funds, and that a waiver of City building permit and development impact fees would best be accomplished with a grant of Redevelopment Low and Moderate Income Housing (LMIH) funds to offset said fees; and

WHEREAS, the Project would help the City meet its low-income housing needs, as set forth in the 2004 Housing Element of the General Plan and the City’s objective of housing its workforce as stated in the 2006 Economic Strategy; and

WHEREAS, the Project would further the Agency’s goals and objectives set forth in the 1987 Redevelopment Plan for the Paso Robles Redevelopment Project and the 2010-2014 Redevelopment Implementation Plan for the use of LMIH Funds; and

WHEREAS, the 2010-2014 Redevelopment Implementation Plan provides that the Agency may use LMIH Funds to provide first-time homebuyer assistance in the form of deferred payment, below market rate interest, second trust deed loans to low and moderate income buyers; 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 owner-occupied 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 forty-five (45) years; 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 Habitat’s request, they have not acquired the property for the Project, received approval of a development plan, nor have they submitted evidence of other pre-approved financing for the 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 up to \$270,000 in future LMIH Funds to be a grant to Habitat 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 Applicants.
2. The form of financial assistance to the Project will be a grant to offset City building permit and development impact fees for the individual homes. The amount of the grant for each individual home shall equal the amount of development impact fees due at appropriate times in the permitting process: i.e., upon issuance of building permits or upon issuance of a Certificate of Occupancy, as required by City ordinances and/or resolutions establishing the fees. It is anticipated that the total amount of LMIH funds to be granted for all six units will be approximately \$270,000.
3. Disbursement of grant funds will be accomplished via an internal transfer of LMIH funds from the Agency to the appropriate City fund for receipt of building permit and development impact fees.
4. Prior to distribution of any grant funds, Habitat shall enter into a Participation Agreement (PA) with the Agency, which shall set forth the terms and conditions for the grant.
5. As a prerequisite to executing the PA and obtaining the grant, Habitat shall:
 - a. Submit to City evidence that full financing for the Project has been approved by the appropriate authorities for each source of financing;
 - b. Obtain approval of a development plan application for the Project.

6. The PA shall provide that the residents of the Project qualify as “Very Low Income Households”, as defined by Health and Safety Code Section 50105.
7. As required by Health and Safety Code Section 33334.3(f), affordability covenants or restrictions shall be recorded against the subject property.

PASSED AND ADOPTED by the Paso Robles Redevelopment Agency on this 16th day of November, 2010 by the following vote:

AYES: Steinbeck, Strong, Hamon
NOES: Gilman
ABSENT: Picanco
ABSTAIN:

John Hamon, Chairman

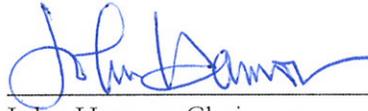
ATTEST:

Caryn Jackson, Deputy City Clerk

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