

RESOLUTION NO. 07-13

RESOLUTION OF THE MEMBERS OF THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY APPROVING THE DEVELOPMENT AND LOAN AGREEMENT AMONG THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY, RICHMOND LABOR AND LOVE COMMUNITY DEVELOPMENT CORPORATION AND MACDONALD PARTNERS, L.P. FOR THE MACDONALD PLACE SENIOR HOUSING DEVELOPMENT, AND MAKING AND APPROVING CERTAIN FINDINGS AND APPROVALS UNDER SECTION 33433 OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, the proposed Macdonald Place Senior Housing 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 and a designated community space area (as described below) (the "Development") to be developed by MacDonald Partners, L.P., a California limited partnership (the "Developer"), one of the general partners of Richmond Labor and Love Community Development Corporation, a California nonprofit public benefit corporation ("RLLCDC"); and

WHEREAS, the Richmond Community Redevelopment Agency (the "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- and low and moderate-income households; and

WHEREAS, the Agency acquired three (3) parcels of land located at "0", 300 and 400 Macdonald Avenue, Richmond, California (the "Property"), with the intent to sell the Property to RLLCDC; and

WHEREAS, RLLCDC owns six (6) parcels of land, adjacent to the Property (the "RLLCDC Property"), that it intends to combine with the Property to cause the development of the Development; and

WHEREAS, pursuant to Section 33433 of the California Health and Safety Code (the "Law"), prior to entering into the Purchase Agreement (as defined below) providing for the sale of the Property to the RLLCDC, the Agency prepared and made available for public inspection a transactional summary in accordance with Section 33433 of the Law (the "Initial Section 33433 Report"), which report was approved on July 18, 2006; and

WHEREAS, in furtherance of the Redevelopment Plan, the Agency subsequently entered into a Purchase and Sale Agreement (the "Purchase Agreement") dated July 18, 2006, with RLLCDC, providing for the sale of the Property to RLLCDC to cause the development of the Development on the Property and RLLCDC's Property (collectively, the "Land"); and

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

WHEREAS, pursuant to the terms of the Purchase Agreement, RLLCDC intends to lease the Land to the Developer which will construct and develop the Development on the leasehold estate of the Land; and

WHEREAS, the Agency and the Developer have diligently negotiated the terms and conditions of a development and loan agreement and related documents for the Development;

and

WHEREAS, in connection with the negotiations of the development and loan documents, the parties determined the need (i) to increase the loan amount to Developer to Four Million Seven Hundred Ten Thousand Dollars (\$4,720,000), and (ii) to add a community use to the Development; and

WHEREAS, the terms of the development and loan agreement reached by the Developer and the Agency are reflected in the proposed Development and Loan Agreement to be entered into among the Agency, the Developer and RLLCDC (the "DLA"); and

WHEREAS, the changes as reflected in the DLA do not materially modify the fundamental business or financial terms of the Purchase Agreement related to the purchase price, but do increase the amount of money that the Agency will provide to the Development and designates one of the parcels in the Development to be used exclusively for certain community uses to serve the surrounding community; and

WHEREAS, the Agency has placed on file a copy of the Purchase and Sale Agreement, the DLA, the Initial Section 33433 Report and an addendum to the Initial Section 33433 Report (the "Addendum Section 33433 Report") (collectively, the "33433 Reports") prepared in accordance with Section 33433 of the Law , and has made the Purchase and Sale Agreement, the DLA and the 33433 Reports available for public inspection and copying pursuant to Section 33433 of the Law. The Section 33433 Reports are incorporated in this Resolution by this reference; and

WHEREAS, the completion of this Development in the Project Area will further the Agency's goals of expanding the community's supply of affordable housing to very low- and low- income households, will assist in ameliorating blight in the Project Area, and will serve as a catalyst for redevelopment of the Project Area; and

WHEREAS, the City Council and the Agency Board conducted a duly noticed joint public hearing on June 26, 2007, to confirm the purchase price of the Property and to consider the approval of the proposed DLA, pursuant to the Section 33433 of the Law ; and

WHEREAS, by the staff report accompanying this Resolution and incorporated in this Resolution by this reference (the "Staff Report"), the City Council has been provided with additional information, in accordance with Section 33433 of the Law, upon which the findings and actions set forth in this Resolution are based;

NOW THEREFORE, BE IT RESOLVED that the Agency Board hereby accepts that the above recitals are accurate and have served together with the Staff Report and the 33433 Reports, as the basis for the findings and approvals set forth in this Resolution; and

BE IF FURTHER RESOLVED that the Agency Board hereby accepts the 33433 Reports which provide supplemental information regarding the Purchase Agreement and the Development as evidenced in the proposed DLA by and among the Agency, the Developer, and RLLCDC which Development is located within Downtown Redevelopment Project Area 10A; and

BE IT FURTHER RESOLVED that the Agency Board hereby finds that the sale of the Property 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; and

BE IT FURTHER RESOLVED that the Richmond Community Redevelopment Agency Board finds and determines that approval and implementation of the Purchase Agreement and the DLA will assist in the elimination of blight, and is consistent with the Five-Year Implementation Plan adopted by the Agency pursuant to Health and Safety Code Section 33490; and

BE IT FURTHER RESOLVED that the Agency Board hereby approves the Development, and the proposed DLA, all exhibits thereto and all ancillary documents and contracts; authorizes the Executive Director to execute the DLA, all exhibits thereto and all ancillary documents and contracts necessary to effectuate the intent of the Purchase Agreement and DLA, substantially in the form on file with the Agency Clerk, with such changes as are approved by the Agency signatory; authorizes the Executive Director to implement the DLA, all exhibits thereto and all ancillary contracts and documents necessary to effectuate the intent of the Purchase Agreement and DLA; and to negotiate and execute amendments to the DLA substantially in conformance with the intent of the DLA as reasonably necessary to conform to lender requirements; and

BE IT FURTHER RESOLVED that the Agency Board hereby authorizes the Executive Director to administer and expend funds for eligible activities including the expenditure of loan funds in an amount not-to-exceed the budget of the approved funds for the Development, which may be amended from time to time by action of the Agency Board.

I certify that the foregoing Resolution was passed and adopted by the Members of the Richmond Community Redevelopment Agency of the City of Richmond at a regular meeting held on June 26, 2007 the following vote:

AYES:	Boardmembers Bates, Butt, Lopez, Rogers, Sandhu, Thurmond, Viramontes, and Mayor McLaughlin
NOES:	None
ABSTENTIONS:	None
ABSENT:	None

DIANE HOLMES
Clerk of the Redevelopment Agency

(SEAL)

Approved:

GAYLE McLAUGHLIN
Agency Chair

Approved as to form:

LOUISE RENNE, Interim
Agency Attorney

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

I certify that the foregoing is a true copy of Resolution No. 07-13, finally passed and adopted by the Redevelopment Agency at a joint meeting of the city council held on June 26, 2007.