

RESOLUTION NO. 09-25

**RESOLUTION OF THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY
AUTHORIZING THE FORMATION OF THE RICHMOND NEIGHBORHOOD
STABILIZATION CORPORATION**

WHEREAS, Title III of Division B of the Housing and Economic Recovery Act, 2008 (HERA), allocated \$3,346,105 to the City of Richmond (the "City") to be considered as Community Development Block Grant Funds (CDBG) to be provided for emergency assistance to finance, purchase, acquire, demolish, land bank or redevelop abandoned and foreclosed homes under the Neighborhood Stabilization Program (NSP);

WHEREAS, the City Council authorized the Richmond Community Redevelopment Agency (the "Agency") to carry out the activities to be funded by HERA under NSP;

WHEREAS, on June 16, 2009, the City Council of the City (the "City Council") approved the submittal to the United States Department of Housing and Urban Development, a Substantial Amendment to the Annual Consolidated Action Plan for 2008-2009 (the "Substantial Amendment"), after being duly noticed, in which the City Council made a commitment to use HERA Funds to address the foreclosure and subprime mortgage loan concerns, to expend certain expenditures and to implement specific activities as provided in the Substantial Amendment;

WHEREAS, the Substantial Amendment includes the formation of a single-purpose nonprofit entity which would assist the City and the Agency in carrying out certain NSP activities;

WHEREAS, the Agency Board desires (i) to authorize the formation of the single purpose entity, Richmond Neighborhood Stabilization Corporation as a California nonprofit public benefit corporation ("RNSC"), to implement certain NSP activities as described in the Substantial Amendment, (ii) to designate the Agency Executive Director, Redevelopment Director and Housing Director as board members of the RNSC, to consent to the appointment of the City Manager as chairperson, City Finance Director as treasurer, and Richmond Housing Authority Executive Director and Richmond Employment and Training Director as the other board members of RNSC, and to designate the Agency Housing Director as the Managing Director of RNSC, (iii) to authorize the submittal of applications for a federal and state income tax exemption for RNSC under the lessening the government burden standard, and (iv) to authorize the submittal of applications for and expenditure of NSP funding;

WHEREAS, the Agency Board desires to authorize the formation of the Richmond Community Stabilization Trust ("RCST"), according and consistent to the programmatic guidelines of the National Community Stabilization Trust, a collaboration of Enterprise Community Partners, the Housing Partnership Network, the Local Initiatives Support Corporation, the Urban League and NeighborWorks America ("NCST"), which will serve as the local entity to work with NCST; an entity organized to facilitate the transfer of foreclosed and abandoned property from financial institutions nationwide to localities receiving NSP funds to promote neighborhood stability;

WHEREAS, by the staff report accompanying this Resolution, the Agency Board has been provided with additional information upon which to findings and the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED, that the Agency Board of the Richmond Community Redevelopment Agency finds the above recitals true and accurate.

BE IT FUTHER RESOLVED, that the Agency Board hereby approves and authorizes the (i) the formation of the Richmond Neighborhood Stabilization Corporation to carry out the activities to as described in the Substantial Amendment, (ii) the designation of the Agency Executive, Redevelopment Director and Housing Director as board members of RNSC, consents to the appointment of the City Manager as chairperson, City Finance Director as treasurer, Richmond Housing Authority Executive Director and Richmond Employment and Training Director as the other board members of RNSC, and the designation of the Agency Housing

Director as Managing Director of the RNSC and (iii) authorizes the RNSC board to carry out any and all actions necessary to implement the Richmond Neighborhood Stabilization Program.

BE IT FURTHER RESOLVED, that the Agency Board hereby approves and authorizes the formation of the Richmond Community Stabilization Trust, which is to be managed by the Richmond Community Stabilization Corporation in accordance with the requirements of the National Community Stabilization Trust.

BE IT FURTHER RESOLVED, that the Agency Board consents to the City Manager's submittal of applications for federal and state income tax exemption for RNSC and for NSP funding, and authorizes the Agency Executive Director to take any and all actions necessary to implement the foregoing Resolution.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

I certify that the foregoing Resolution was passed and adopted by the Members of the Richmond Community Redevelopment Agency at a regular meeting held on June 16, 2009, by the following vote:

AYES: Councilmembers Bates, Butt, Rogers, Ritterman, Viramontes, Vice Mayor Lopez, and Mayor McLaughlin.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

DIANE HOLMES
Clerk of the Redevelopment Agency

[SEAL]

Approved:

GAYLE McLAUGHLIN
Agency Chairperson

Approved as to form:

RANDY RIDDLE
Agency Attorney

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