

RESOLUTION NO. 09-34

RESOLUTION OF THE MEMBERS OF THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY BOARD AUTHORIZING A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BETWEEN THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY AND COMMUNITY HOUSING DEVELOPMENT CORPORATION OF NORTH RICHMOND FOR THE PURPOSE OF TRANSFERRING 249 2ND STREET TO THE DEVELOPER OF THE LILLIE MAE JONES PLAZA AFFORDABLE RENTAL HOUSING DEVELOPMENT UPON RECEIPT OF COMMITMENTS FOR AT LEAST 95% OF THE DEVELOPMENT FINANCING SOURCES REQUIRED UNDER THE TERMS OF THE DDA, APPROVING THE ASSIGNMENT OF THE DDA TO THE DEVELOPER, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ANY NECESSARY DOCUMENT TO CARRY OUT THESE ACTIONS

WHEREAS, the proposed Lillie Mae Jones Housing Development located on Macdonald Avenue and 2nd Street will entail the construction of approximately 26 units of affordable rental housing for low-income households, and community room and tenant service coordination office (the "Development") to be developed by Community Housing Development Corporation of North Richmond ("CHDC") and East Bay Asian Local Development Corporation ("EBALDC"); 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, low and moderate-income households; and

WHEREAS, the Agency intends to acquire from the City of Richmond a parcel of land located at 249 2nd Street, Richmond, California (the "Property") as approved by City Council Resolution 112-04 and Agency Board Resolution 04-31, and to transfer the Property to Developer; and

WHEREAS, Developer (defined below) owns two (2) parcels of land known as APN: 538-181-035 and 538-181-036, adjacent to the Property (the "Developer Property"), that the Developer intends to combine with the Property to cause the development of the Development; and

WHEREAS, in furtherance of the Redevelopment Plan, the Agency entered into a Disposition and Development Agreement (the "DDA") dated June 23, 2006, with CHDC, providing for the sale of the Property to Developer to cause the development of the Development on the Property and Developer's Property (collectively, the "Land"); and

WHEREAS, CHDC and EBALDC have formed Lillie Mae Jones Plaza, L.P., a California limited partnership that will construct and develop the Development on the Land (the "Developer") pursuant to the terms of the DDA; Alternatively, CHDC and EBALDC may form a limited liability company to construct and develop the Development. Any such limited liability company shall be the Developer; and

WHEREAS, CHDC has requested to assign its interest in the DDA to the Developer; and

WHEREAS, pursuant to Section 2.10 of the DDA, prior to transfer of the Property, CHDC must have received commitments of all financing for the Development; and

WHEREAS, the Agency and City have previously committed Four Million One Hundred Twenty Four Thousand Dollars (\$4,124,000), the Developer has secured additional financing commitments in the amount of Eight Million Seventy Thousand Dollars (\$8,670,686) from various private and public sources, and the Developer has applied for an additional Six Hundred

Thousand Dollars (\$600,000) in State of California Mental Health Services Act (“MHSA”) funds to cover all development costs in connection with the Development; and

WHEREAS, in order for the Developer to merge the Property with the Developer’s Property in time to secure remediation, grading, and construction permits and commence the construction of the Development prior to the rainy season of 2009, the parties determined the need (i) to allow for the transfer of the Property to the Developer upon Developer’s receipt of commitments for 95% of the Development’s funding sources, and (ii) to approve the assignment of the DDA from CHDC to the Developer; and

WHEREAS, the Development will be feasible even should the MHSA funds not be awarded for the Development; and

WHEREAS, these changes do not materially modify the fundamental business or financial terms of the DDA related to the purchase price; and

WHEREAS, the completion of the 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.

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

BE IT FURTHER RESOLVED, that the Agency Board finds and determines that approval and implementation of the DDA, as amended, 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 assignment of the DDA from CHDC to the Developer and authorizes the Executive Director to execute any and all documents necessary for such assignment; and

BE IT FURTHER RESOLVED, that the Agency Board hereby approves the proposed third amendment, all exhibits thereto and all ancillary documents and contracts; and authorizes the Executive Director to execute and implement the third amendment, all exhibits thereto and all ancillary documents and contracts necessary to effectuate the intent of the DDA, as amended.

I certify that the foregoing resolution was passed and adopted by the Agency Board of the Richmond Community Redevelopment Agency at a regular meeting held on September 15, 2009, by the following vote:

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

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

DIANE HOLMES
Agency Clerk

(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 }

I certify that the foregoing is a true copy of **Resolution No. 09-34**, finally passed and adopted by the Richmond Community Redevelopment Agency at a regular meeting held on September 15, 2009.