

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 05/09/2017 by the following vote:

AYE:

NO:

ABSENT:

ABSTAIN:

RECUSE:



Resolution No. 2017/71

IN THE MATTER OF authorizing execution of a Disposition and Development Agreement by and between the County and Community Housing Development Corporation of North Richmond (CHDC), and making findings and approvals pursuant to the California Community Redevelopment Law, for the sale of the property to CHCD and the development of the Heritage Point Development, with 42 multiple-family residential units and approximately 900 square feet of commercial/retail space in the North Richmond Area.

The Board of Supervisors (the "Board") of the County of Contra Costa (the "County") adopted the North Richmond Redevelopment Plan North Richmond Redevelopment Project Area by Ordinance No. 87-50, adopted on July 14, 1987, as amended by Ordinance No. 94-63, adopted on December 6, 1994, as amended by Ordinance No. 99-06, adopted on February 23, 1999, as amended by Ordinance No. 99-31, adopted on June 8, 1999, as further amended by Ordinance No. 2006-35, adopted on July 18, 2006, and as further amended by Ordinance No. 2007-25, adopted on June 5, 2007, which sets forth a plan for redevelopment of the North Richmond Redevelopment Project Area. The County has succeeded to the housing assets of the former Contra Costa County Redevelopment Agency (the "Former Agency") in accordance with Health and Safety Code Section 34176. In its capacity as housing successor, the County owns six parcels of real property, fronting the east side of Fred Jackson Way, between Grove Street and Chesley Avenue, in North Richmond, as more particularly described in Exhibit A (the "Property"). The Property has been identified as a "housing asset" pursuant to Health and Safety Code Section 34176. The Oversight Board of the Contra Costa County Successor Agency and the California Department of Finance have approved such identification. The Former Agency acquired the Property using the Former Agency's low and moderate housing fund, which was established pursuant to Health and Safety Code Section 33334.2. The County and CHDC propose to enter into a Disposition and Development Agreement (the "DDA") governing the transfer and redevelopment of the Property through the construction of forty-two (42) multifamily rental apartment units affordable to low and moderate income persons and limited commercial space on the Property (the "Development"). Under the DDA, the County would sell the Property to CHDC for a purchase price of Five Hundred Thirty Thousand Six Hundred Fifty-Five Dollars (\$530,655) or such price as is determined to be the fair market value of the Property established by an analysis of sales of comparable properties (the "Purchase Price"), which would be paid at the time of transfer.

The County has established a Low and Moderate Income Housing Asset Fund (the "Housing Fund") pursuant to Health and Safety Code Sections 34176. The Developer intends to finance the cost of the Development with public and private sources, as more particularly described in Section V of the Section 33433 Summary Report (defined below).

The parties anticipate that the County and CHDC will enter into a loan agreement for a loan of Housing Successor funds in the amount of the Purchase Price plus up to an additional One Million Dollars (\$1,000,000) (the "County Loan"), which will serve the purpose of Health and Safety Code Section 33334.2, providing a benefit to the Project Area, by assisting in the development of affordable housing for persons living and/or working in the Project Area, and serve major goals and objectives of the Redevelopment Plan by improving and increasing the supply of housing available at affordable housing cost in the community, thereby decreasing the market pressure on the supply of affordable housing in the community and the Project Area.

The County desires to execute the DDA substantially in the form on file with the Clerk of the Board that:

(i) conveys property to CHDC, for the purchase price, unless a loan agreement is reached prior to closing; (ii) requires execution of a promissory note and deed of trust to secure payment of the purchase price by CHDC; (iii) addresses other matters related to the disposition of the Property.

The County has placed on file a copy of the DDA and summary called for in Health and Safety Code Section 33433 (the "33433

Summary Report"), and has made the DDA and the 33433 Summary Report available for public inspection and copying pursuant to Health and Safety Code Section 33433.

The County desires to approve the 33433 Summary Report, which indicates that the cost of the Development to the County is \$9,355,198, with a net cost of \$6,355,198 after the deduction of the net present value of loan repayments.

The Board has conducted a duly noticed public hearing on the DDA and 33433 Summary Report pursuant to Health and Safety Code Section 33433, for the purpose of receiving the input and comments of the public on the DDA and the 33433 Summary Report.

The Mitigated Negative Declaration previously prepared by the County to serve as the environmental documentation under the California Environmental Quality Act for the Development Plan #14-3026 and Minor Subdivision # 14-00007 and May 5, 2015, for General Plan Amendment # 13-0004 and continues to serve as the environmental documentation for purposes of compliance with the California Environmental Quality Act for consideration of the DDA.

By the board order accompanying this Resolution which is incorporated into this Resolution by this reference, the County has been provided with additional information upon which the findings and actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors finds that the above recitals are true and correct and have served, together with the 33433 Summary Report and the board order as the basis for the findings and approvals set forth below.

BE IT FURTHER RESOLVED, pursuant to Health and Safety Code Section 33433, the Board of Supervisors hereby finds that the consideration to be given by the Developer under the DDA is not less than the fair market value of the Property. This finding is based on the facts and analysis set forth in the Staff Report and the Section 33433 Summary accompanying this Resolution.

BE IT FURTHER RESOLVED, pursuant to Health and Safety Code Section 33433, the Board of Supervisors hereby finds that the conveyance of the Property pursuant to the DDA will assist in the elimination of blight in the Project Area, will provide housing for low- and moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490 of the Redevelopment Law. These findings are based on the facts and analysis set forth in the Section 33433 Summary and the board order accompanying this Resolution, which may be briefly synopsisized as follows: the sale of the Property to the Developer and construction of the Development pursuant to the DDA will provide 42 units of needed affordable housing to the community and eliminate the blighted conditions of the Property as the property is currently vacant. Construction of the Development will create attractive, quality and affordable housing designed to compliment the surrounding developed area.

BE IT FURTHER RESOLVED, pursuant to Health and Safety Code Section 33433, the Board of Supervisors hereby approves the DDA and the 33433 Summary Report, in substantially the form on file with the Clerk of the Board, and all ancillary documents; approves execution by the the Director, Department of Conservation and Development of the DDA and all ancillary documents in substantially the form on file with the Clerk of the Board of Supervisors, with such changes as are approved by the County signatory (such approval to be conclusively evidenced by the execution of the DDA); and approves the sale of the Property as contemplated in the provisions of the DDA.

BE IT FURTHER RESOLVED, that the County hereby approves the DDA, with such changes as are approved by the Director of the Department of Conservation and Development.

BE IT FURTHER RESOLVED that the County designates the Clerk of the Board and the Director of the Department of Conservation and Development as the custodian of the documents and other material which constitute the record of proceedings upon which the decision herein is based. These documents may be found at the office of the Department of Conservation and Development at 30 Muir Road, Martinez, CA 94553.

BE IT FURTHER RESOLVED that this Resolution shall take immediate effect from and after its passage.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: Maureen Toms, DCD, (925)
674-7878**

ATTESTED: May 9, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: