

RESOLUTION NO. 2132

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND, CALIFORNIA, AUTHORIZING THE EXECUTIVE DIRECTOR TO SOLICIT A PROPOSAL FROM MCCORMACK BARON SALAZAR (MBS) TO CONTINUE TO OWN THE IMPROVEMENTS AND OPERATE RICHMOND VILLAGE, IN CONJUNCTION WITH THE RICHMOND HOUSING AUTHORITY (RHA) AND UNDER A GROUND LEASE FROM RHA, AFTER THE EXIT OF THE TAX CREDIT INVESTOR, AND PURSUANT TO SUCH A PROPOSAL, TO NEGOTIATE AN AGREEMENT THAT IS SATISFACTORY TO RHA AND AUTHORIZE A SIXTY (60) DAY NEGOTIATING PERIOD FOR RHA TO REACH AGREEMENT WITH MBS, WITH UP TO TWO 30-DAY EXTENSIONS AT THE DISCRETION OF THE EXECUTIVE DIRECTOR AND ISSUE AN REQUEST FOR PROPOSALS TO SOLICIT A NEW OWNER/OPERATOR FOR RICHMOND VILLAGE IN THE EVENT RHA FAILS TO REACH AGREEMENT WITH MBS

WHEREAS, Richmond Housing Authority (RHA) owns and manages 244 units of rental housing; and

WHEREAS, in September 2019 RHA entered into the current Public Housing Authority Recovery and Sustainability (PHARS) agreement with the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, RHA remains obligated and committed to performing all HUD required functions, and providing quality service to local program participants; and

WHEREAS, RHA and McCormack Baron Salazar, as the Development Partner, redeveloped the former Easter Hill site into Richmond Village I, II, and III using funds from a federal Hope VI Revitalization Grant and Low Income Tax Credit Financing; and

WHEREAS, on December 4, 2018, the RHA Board of Commissioners directed staff to move forward with repositioning RHA's public housing developments and other real estate holdings; and

WHEREAS, the 2019 PHARS Agreement and Action Plan with HUD (Tasks 5.1-5.3 and 6.1-6.3), requires the repositioning of Richmond Village I, II, and III as an implementing action to reposition the RHA Public Housing portfolio; and

WHEREAS, Richmond Village is composed of three (3) HUD Asset Management Projects (AMP's) under two ownership phases/structures; Richmond Village I and Richmond Village II & III; and

WHEREAS, these two Richmond Village phases produced 238 mixed-incomes one, two, three, and four-bedroom apartments and two-bedroom townhomes: Richmond I with 117 units, Richmond Village II with 85 units, and Richmond Village III 36 Units; and

WHEREAS, the two phases of the Richmond Village project are approaching the 15th year of their Low Income Housing Tax Credit financing giving RHA an Option and Right of First Refusal to purchase the property pursuant to the Option Agreement and Right of First Refusal dated November 1, 2004 with RHA; and

WHEREAS, based on the tasks and estimated time required for RHA to negotiate an agreement with McCormack Baron Salazar or to select a new developer and meeting the asset repositioning tasks target dates set forth in the 2019 PHARS, it is crucial to begin negotiations with McCormack Baron Salazar immediately.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA THAT the Executive Director is authorized to solicit a proposal from McCormack Baron Salazar (MBS) to continue to own the improvements and operate Richmond Village, in conjunction with RHA and under a ground lease from RHA, after

the exit of the tax credit investor, and pursuant to such a proposal, to negotiate an agreement that is satisfactory to RHA and authorize a sixty (60) day negotiating period for RHA to reach agreement with MBS, with up to two 30-day extensions at the discretion of the Executive Director and issue a Request for Proposals (RFP) to solicit a new owner/operator for Richmond Village in the event RHA fails to reach agreement with MBS.

BE IT FURTHER RESOLVED THAT the Executive Director is hereby authorized to take all actions necessary to implement this resolution.

The foregoing resolution was passed and adopted by the Commissioners of the Housing Authority of the City of Richmond at a special meeting thereof held on December 22, 2020, by the following vote:

AYES:	Commissioners Choi, Martinez, Myrick, Vice Chairperson Bates, and Chairperson Butt.
NOES:	None.
ABSTENTIONS:	None.
ABSENT:	Commissioners Johnson, Willis, and Housing Authority Tenant Commissioner Scott.

THOMAS K. BUTT

Chairperson

[SEAL]

Attest:

PAMELA CHRISTIAN
Secretary

Approved as to form:

TERESA STRICKER
City Attorney

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

I certify that the foregoing is a true copy of **Resolution No. 2132** finally passed and adopted at a Special Housing Authority Meeting held on December 22, 2020.



CLERK OF THE HOUSING AUTHORITY