

RESOLUTION NO. 1932

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE AGREEMENT WITH EM JOHNSON INTEREST TO PURCHASE PROPERTY AT 2952 CHAVEZ LANE , RICHMOND, CALIFORNIA IN CONJUNCTION WITH THE EASTER HILL NEIGHBORHOOD REVITALIZATION HOPE VI PROJECT FOR A PRICE NOT TO EXCEED \$364,457.37

WHEREAS, the Authority received a 2000 HOPE VI Implementation Grant Award in an amount of \$35,000,000 for the Easter Hill Neighborhood Revitalization HOPE VI Project (“HOPE VI Project”); and

WHEREAS, the plans for the HOPE VI Project include the acquisition and development of offsite properties for the construction of very low income to market rate rental and homeownership units; and

WHEREAS, the Authority has identified 2952 Chavez Lane to promote affordable family housing, and neighborhood stabilization within the Easter Hill HOPE VI project; and

WHEREAS, EM Johnson Interest built 82 homeownership homes for low income to market rate individuals and families and was able to sell 81 of the 82 homes as planned; and

WHEREAS, EM Johnson Interest, made exhaustive attempts to sale the final remaining home over the last two plus years using local and regional real estate services, home buyer service agencies and price incentives for qualified buyers; and

WHEREAS, EM Johnson Interest must dispose of the final home to settle remaining project debt and avoid foreclosure; and

WHEREAS, EM Johnson Interest has a loan balance to the Authority of \$139,457.37 for which the Authority will subtract said amount from the purchase price of (\$364,457.37) and save its financial interest in the property; and

WHEREAS, the Authority has a major stake in the project and desires to assure that the neighborhood is stabilized to uphold the revitalization strategies associated with HOPE VI Project; and

WHEREAS, the Authority will purchase the property with HOPE VI/Authority funds subject to final approval by HUD; and

WHEREAS, the Authority will lease the property to an eligible low income family via the Section 8 Housing Choice Voucher program until the market stabilizes; and

WHEREAS, the value of \$364,457.37 is slightly below the sales price of other three bedroom market-rate homes in the development, but is priced to satisfy remaining project debt and avoid depressing the market value of other homes in the project:

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 hereby authorized, subject to final approval by HUD, to execute a purchase agreement with Em Johnson Interest for the acquisition of property at 2952 Chavez Lane, Richmond, CA for a total purchase price of \$364,457.37; and

The Executive Director is authorized to execute the Certificate of Acceptance:

The Executive Director is hereby authorized to take all actions necessary to implement the foregoing 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 July 7, 2009, by the following vote:

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

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

GAYLE McLAUGHLIN
Chairperson

ATTEST:

DIANE HOLMES
Secretary

Approved as to form:

RANDY RIDDLE
Attorney

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

I certify that the foregoing is a true copy of Resolution No. 1932, finally passed and adopted at a Housing Authority Meeting held on July 7, 2009.