

**HOUSING AUTHORITY OF THE CITY OF AVALON
BOARD OF COMMISSIONERS MEETING
TUESDAY, FEBRUARY 17, 2015 – 6:00 P.M.
410 AVALON CANYON ROAD, AVALON
A G E N D A**

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact Denise Radde, City Clerk (310) 510-0220. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35.104 ADA Title II). All public records relating to an agenda item on this agenda are available for the public inspection at the time the records are distributed to all, or a majority of all, members of the Board of Commissioners. Such records shall be available at City Hall located at 410 Avalon Canyon Rd. and our website at www.cityofavalon.com.

CALL TO ORDER / ROLL CALL

ANNOUNCEMENTS

WRITTEN COMMUNICATIONS

ORAL COMMUNICATIONS

The Board will hear comments from the public at this time. Speakers should limit their comments to three (3) minutes each. No action will be taken at this meeting on non-agenda items.

CONSENT CALENDAR

1. Actions

Although the live recording is the official record of public meetings, actions are prepared for the Board of Commissioner's approval.

Recommended Action

Approve actions from the January 20, 2015 Housing Authority of the City of Avalon Board of Commissioners meeting.

GENERAL BUSINESS

2. Approving an Agreement Between the Successor Agency and the Housing Authority for Repayment of a loan from Low and Moderate Income Housing Fund to make 2009-2010 SERAF Payment

Pursuant to Health and Safety Code section 33690, the Redevelopment Agency was required to make a payment in 2009-10 to the Supplemental Educational Revenue Augmentation Fund (SERAF) in the amount of \$1,000,000, all of which was borrowed from the Low and Moderate Income Housing Fund.

Recommended Action

Approve the agreement authorizing the repayment of a loan from the Low and Moderate Income Housing Fund of the former Avalon Community Improvement Agency for legally required SERAF Payment.

**HOUSING AUTHORITY AGENDA
FEBRUARY 17, 2015
PAGE 2**

EXECUTIVE DIRECTOR REPORT

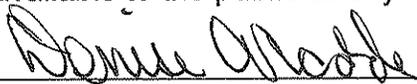
HOUSING AUTHORITY COUNSEL REPORT

COMMISSIONER REPORTS

ADJOURN

NOTICE OF POSTING

I, Denise Radde, declare that the February 17, 2015 Housing Authority of the City of Avalon Agenda was posted on Thursday, February 12, 2015, at City Hall, 410 Avalon Canyon Road, and on the City's website at www.cityofavalon.com. Copies of agendas and staff reports are available to the public at City Hall during regular business hours.



Denise A. Radde, City Clerk / Chief Administrative Officer

CITY OF AVALON HOUSING AUTHORITY

MEETING DATE: February 17, 2015

AGENDA ITEM: 1

ORIGINATING DEPT: City Clerk

CITY MANAGER: BH

PREPARED BY: Denise Radde, City Clerk

SUBJECT: Housing Authority Actions

RECOMMENDED ACTION(S): Approve the Housing Authority of the City of Avalon Board of Commissioners Actions from the January 20, 2015 meeting.

REPORT SUMMARY: Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.

FISCAL IMPACTS: N/A

GOAL ALIGNMENT: To be determined.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: File actions in the City Clerk's office.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly listed on the posted agenda pursuant to the Brown Act.

ATTACHMENTS: Housing Authority Actions.

**HOUSING AUTHORITY OF THE CITY OF AVALON
BOARD OF COMMISSIONERS MEETING
TUESDAY, JANUARY 20, 2015
ACTIONS**

CALL TO ORDER 7:53 p.m.

ROLL CALL- Board of Commissioners Cassidy, Olsen, Hernandez, Sampson, and Chairman Marshall. Also present: City Manager Ben Harvey, Legal Counsel Scott Campbell, and City Clerk Denise Radde.

CONSENT CALENDAR- There was one item on the Consent Calendar. Motion to approve Item 1 made by Cinde Cassidy, seconded by Joe Sampson. (All Ayes)

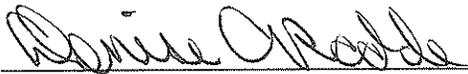
1. Approved actions from the December 2, 2014 Housing Authority of the City of Avalon Board of Commissioners meeting.

GENERAL BUSINESS

2. Avalon Housing Workshop-Use of Housing Authority Funds
Elizabeth Hull from Best Best & Krieger led a discussion on future affordable housing options for leveraging remaining one-time housing funds of the Housing Authority. Comments were received from the audience. Consensus was to continue this housing workshop to a later date before any decisions can be made.
3. Amendment to Exclusive Negotiation Agreement with Hamilton Pacific LLC.
Approved the Amendment to the Exclusive Negotiation Agreement ("ENA") with Hamilton Pacific, with conditions of approval. Motion by Joe Sampson, seconded by Oley Olsen. (All Ayes)

ADJOURNED: 8:50 p.m.

I, Denise Radde, City Clerk of the City of Avalon, do hereby certify that the DVD videotape of the City Council/Housing Authority Meeting on January 20, 2015, is the official record of that meeting and is on file and maintained in City Hall.



Denise A. Radde, City Clerk/Chief Administrative Officer

**SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY
AND HOUSING AUTHORITY OF THE CITY OF AVALON**

MEETING DATE: February 17, 2015

AGENDA ITEM 2

ORIGINATING DEPARTMENT: Administration

CITY MANAGER BH

PREPARED BY: Tara Matthews, Consultant, RSG Inc.
Suzy Kim, Consultant, RSG Inc.

SUBJECT: Approving an Agreement Between the Successor Agency and the Housing Authority for Repayment of a loan from Low- and Moderate-Income Housing Fund to make 2009-10 SERAF Payment

RECOMMENDED ACTION

It is recommended that the Successor Agency to the Avalon Community Improvement Agency and the Housing Authority of the City of Avalon approve the agreement authorizing the repayment of a loan from the Low- and Moderate-Income Housing Fund of the former Avalon Community Improvement Agency ("Redevelopment Agency") for legally required SERAF Payment.

REPORT SUMMARY

Pursuant to Health and Safety Code section 33690, the Redevelopment Agency was required to make a payment in 2009-10 to the Supplemental Educational Revenue Augmentation Fund ("SERAF") in the amount of \$1,000,000, all of which was borrowed from the Low- and Moderate-Income Housing Fund.

The legislation that dissolved redevelopment agencies, AB 1X 26 and AB 1484 (collectively, the "Dissolution Act") also prescribes the procedures to be followed for winding down the former redevelopment agency's affairs.

The Successor Agency is the successor entity to the former Redevelopment Agency, and pursuant to the Dissolution Act, is responsible for the wind-down affairs of the former Redevelopment Agency, including without limitation the performance and repayment of all enforceable obligations of the former Redevelopment Agency.

The City of Avalon elected not to retain the housing assets and functions of the former Redevelopment Agency and instead, designated the Avalon Housing Authority as the Housing Successor Agency.

The proposed Agreement to Repay the Loan from the Low- and Moderate-Income Housing Fund for the 2009-10 SERAF Payment, if approved, would allow the Housing Authority to collect repayment of the loan from the Successor Agency.

The Dissolution Act provides that after fiscal year 2013-14, repayment of loans made by the

Low and Moderate-Income Housing Fund of the former Redevelopment Agency may be repaid, if the Oversight Board approves the repayment schedule. The repayment schedule set for the Agreement is in accordance with the formula set forth in Health and Safety Code section 34176(e)(6)(B).

FISCAL IMPACT

The Housing Authority would be entitled to repayment of the amounts borrowed from the Low- and Moderate-Income Housing Fund. The Housing Authority will be required to deposit such funds in a Low- and Moderate-Income Housing Asset Fund, to be used in accordance with the requirements of such fund. The funds would be received from the Redevelopment Property Tax Trust Fund pursuant to a ROPS allocation.

ATTACHMENTS

- A. Housing Authority Resolution No. _____
- B. Successor Agency Resolution No. _____
- C. Agreement to Repay Loan from the Low and Moderate Income Housing Fund For 2009-2010 SERAF Payment

HOUSING AUTHORITY RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF AVALON
APPROVING AGREEMENT FOR REPAYMENT OF LOAN FROM LOW- AND
MODERATE-INCOME HOUSING FUND TO MAKE 2009-10 SERAF PAYMENT

WHEREAS, pursuant to Assembly Bill 1X 26, enacted on June 28, 2011, and Assembly Bill 1484, enacted on June 27, 2012 (collectively the "Dissolution Act"), the Avalon Community Improvement Agency ("Redevelopment Agency") was dissolved on February 1, 2012; and

WHEREAS, the City of Avalon elected not to retain the housing assets and functions of the former Avalon Community Improvement Agency, and designated the Avalon Housing Authority as the Housing Successor Agency; and

WHEREAS, pursuant to Assembly Bill 1 X 26, the City Council of the City of Avalon is the "Successor Agency" to the Avalon Community Improvement Agency; and

WHEREAS, the Oversight Board to the Successor Agency was established under the Dissolution Act to direct and oversee the Successor Agency's action in winding down the affairs of the Redevelopment Agency and to perform other related functions; and

WHEREAS, the Low- and Moderate-Income Housing Fund loaned \$1,000,000 (the "Loan") to the former Redevelopment Agency to enable the Redevelopment Agency to make a payment to the Supplemental Educational Revenue Augmentation Fund ("SERAF") for the 2009-10 fiscal year, as required by Health and Safety Code section 33690; and

WHEREAS, pursuant to Health and Safety Code section 34176(e)(6)(B), repayment of loans made by the Low- and Moderate-Income Housing Fund are authorized after fiscal year 2013-14 if the Oversight Board has approved the repayment schedule; and

WHEREAS, no portion of the Loan has been repaid.

NOW, THEREFORE BE IT RESOLVED, the Housing Authority of the City of Avalon hereby finds and resolves as follows:

Section 1. The foregoing recitals are true and correct and incorporated herein.

Section 2. The Agreement to Repay Loan from Low- and Moderate-Income Housing Fund for 2009-10 SERAF Payment, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and the Housing Authority is hereby authorized to execute said agreement.

Section 3. All legal prerequisites to the adoption of this Resolution have been satisfied.

Section 4. The Executive Director of the Housing Authority or designee is hereby authorized to take such actions as are necessary and appropriate to implement this decision of the Commissioners of the Housing Authority of the City of Avalon, including, but not limited to, listing the Agreement to Repay Loan from Low- and Moderate-Income Housing Fund for 2009-10 SERAF Payment on the Successor Agency's ROPS as an enforceable obligation. The repayment schedule is consistent with the provisions of Health and Safety Code section 34176(e)(6)(B).

PASSED AND ADOPTED this 17th day of February 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Ann H. Marshall, Chairperson

Denise A. Radde, Agency Secretary

SUCCESSOR AGENCY RESOLUTION NO. _____

RESOLUTION OF THE CITY OF AVALON AS SUCCESSOR AGENCY TO AVALON
COMMUNITY IMPROVEMENT AGENCY APPROVING AGREEMENT FOR
REPAYMENT OF LOAN FROM LOW- AND MODERATE-INCOME HOUSING
FUND TO MAKE 2009-10 SERAF PAYMENT

WHEREAS, pursuant to Assembly Bill 1X 26, enacted on June 28, 2011, and Assembly Bill 1484, enacted on June 27, 2012 (collectively the "Dissolution Act"), the Avalon Community Improvement Agency ("Redevelopment Agency") was dissolved on February 1, 2012; and

WHEREAS, the City of Avalon elected not to retain the housing assets and functions of the former Avalon Community Improvement Agency, and designated the Avalon Housing Authority as the Housing Successor Agency; and

WHEREAS, pursuant to Assembly Bill 1 X 26, the City Council of the City of Avalon is the "Successor Agency" to the Avalon Community Improvement Agency; and

WHEREAS, the Oversight Board to the Successor Agency was established under the Dissolution Act to direct and oversee the Successor Agency's action in winding down the affairs of the Redevelopment Agency and to perform other related functions; and

WHEREAS, the Low- and Moderate-Income Housing Fund loaned \$1,000,000 (the "Loan") to the former Redevelopment Agency to enable the Redevelopment Agency to make a payment to the Supplemental Educational Revenue Augmentation Fund ("SERAF") for the 2009-10 fiscal year, as required by Health and Safety Code section 33690; and

WHEREAS, pursuant to Health and Safety Code section 34176(e)(6)(B), repayment of loans made by the Low- and Moderate-Income Housing Fund are authorized after fiscal year 2013-14 if the Oversight Board has approved the repayment schedule; and

WHEREAS, no portion of the Loan has been repaid.

NOW, THEREFORE BE IT RESOLVED, the Successor Agency to the Avalon Community Improvement Agency hereby finds and resolves as follows:

Section 1. The foregoing recitals are true and correct and incorporated herein.

Section 2. The Agreement to Repay Loan from Low- and Moderate-Income Housing Fund for 2009-10 SERAF Payment, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and the Successor Agency is hereby authorized to execute said agreement.

Section 3. All legal prerequisites to the adoption of this Resolution have been satisfied.

Section 4. The Executive Director of the Successor Agency or designee is hereby authorized to take such actions as are necessary and appropriate to implement this decision of the Successor Agency, including, but not limited to, listing the Agreement to Repay Loan from Low- and Moderate-Income Housing Fund for 2009-10 SERAF Payment on the Successor Agency's ROPS as an enforceable obligation. The repayment schedule is consistent with the provisions of Health and Safety Code section 34176(e)(6)(B).

PASSED AND ADOPTED this 17th day of February 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Ann H. Marshall, Chairperson

Denise A. Radde, Agency Secretary

**AGREEMENT TO REPAY LOAN FROM LOW- AND MODERATE-INCOME
HOUSING FUND FOR 2009-10 SERAF PAYMENT**

THIS AGREEMENT (this "Agreement") is entered into this 17th day of February, 2015, by and between the SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY, a public body (the "Successor Agency") and the CITY OF AVALON HOUSING AUTHORITY, in its capacity as the Housing Successor to the former Redevelopment Agency ("Authority").

RECITALS

The Authority and the Successor Agency (individually, a "Party" and collectively, the "Parties") enter into this Agreement with reference to the following facts and circumstances:

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), the City Council activated the Redevelopment Agency of the City of Avalon (the "Avalon Community Improvement Agency") and subsequently adopted the Redevelopment Plan for the Avalon Redevelopment Project (the "Redevelopment Plan").

B. Pursuant to Health and Safety Code sections 33690 and 33690.5, the Redevelopment Agency was required to make payments to the Supplemental Educational Revenue Augmentation Fund ("SERAF") for the 2009-10 fiscal year. Because the Redevelopment Agency did not have sufficient funds to make the payment in those fiscal years, it borrowed the necessary funds from its Low and Moderate-Income Housing Fund, as authorized by those statutes.

C. In 2010, the Redevelopment Agency borrowed \$1,000,000 from the Low- and Moderate-Income Housing Fund in order to make the required SERAF payments for the 2009-10 fiscal year (the "SERAF Loan").

D. Assembly Bill IX 26 ("AB 26"), enacted in June 2011, and AB 1484 ("AB 1484"), enacted in June 2012 (collectively, the "Dissolution Act") required the dissolution of redevelopment agencies and established certain procedures and requirements for the wind-down of their activities.

E. The Successor Agency is the successor entity to the former Redevelopment Agency and, pursuant to the Dissolution Act, is responsible for the wind-down of the former Redevelopment Agency, including without limitation the performance and repayment of all enforceable obligations of the former Redevelopment Agency.

F. The City of Avalon elected not to retain the housing assets and functions of the former Avalon Community Improvement Agency and instead, designated the Avalon Housing Authority as the Housing Successor Agency.

G. Pursuant to Health and Safety Code section 34176(e)(6)(B), after fiscal year 2013-14, amounts borrowed from the Low- and Moderate-Income Housing Fund may begin to

be repaid.

H. The parties desire to enter into this Agreement to repay the amounts borrowed from the Low- and Moderate-Income Housing Fund and to have the payments deposited into the newly-created Low- and Moderate-Income Housing Asset Fund to be used by the Authority, as the housing successor, for affordable housing purposes.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, including the mutual promises and covenants contained herein, the Parties mutually agree as follows:

1. Recitals. All of the above recitals are true and correct and are incorporated herein.

2. Purpose. The purpose of this Agreement is to document the obligation to repay the SERAF Loan as an enforceable obligation to be listed by the Successor Agency on each successive Recognized Obligation Payment Schedule ("ROPS"), as required to be prepared under Health and Safety Code section 34177, until such time as the SERAF Loan has been fully repaid.

3. Loan Amount. It is the understanding and agreement of the parties that the total amount of the SERAF Loan is ONE MILLION DOLLARS (\$1,000,000).

4. Schedule of Repayment. Pursuant to Health and Safety Code section 34176 (e)(6)(B), repayments of SERAF loans are restricted to the formula set forth therein. Therefore the repayment of the SERAF Loan each fiscal year shall be equal to the maximum amount allowed under Health and Safety Code section 34176(e)(6)(B).

5. Deposit in Low- and Moderate-Income Housing Asset Fund. Repayments of the SERAF Loan shall be made to the Authority as the housing successor. Authority shall deposit such repayments in a Low- and Moderate-Income Housing Asset Fund, established pursuant to Health and Safety Code section 34176(d), and shall use them in accordance with the requirements for such fund.

[Signatures on following page]

IN WITNESS WHEREOF, the Authority, as housing successor, and Successor Agency have executed this Agreement as of the date first set forth above.

**CITY OF AVALON HOUSING
AUTHORITY, as Housing Successor**

By: _____
Ann H. Marshall, Chairperson

ATTEST:

By: _____
Denise A. Radde, City Clerk

APPROVED AS TO FORM:

By: _____
Elizabeth Hull, Authority Counsel

**SUCCESSOR AGENCY TO THE AVALON
COMMUNITY IMPROVEMENT AGENCY**

By: _____
Ann H. Marshall, Executive Director

ATTEST:

By: _____
Denise A. Radde, Agency Secretary

APPROVED AS TO FORM:

By: _____
Elizabeth Hull, Oversight Board Counsel