





City of Carson Report to Mayor and City Council

April 5, 2011
New Business Discussion

SUBJECT: CONSIDERATION OF RESOLUTION NO. 11-053 APPROVING A FINANCING AGREEMENT BY AND AMONG THE CARSON HOUSING AUTHORITY, THE CITY OF CARSON AND THE CARSON REDEVELOPMENT AGENCY FOR THE PROVISION OF FINANCIAL ASSISTANCE TO THE CARSON HOUSING AUTHORITY


Submitted by Clifford W. Graves
Economic Development General Manager


Approved by Clifford W. Graves
Interim City Manager

THIS IS A JOINT AGENDA ITEM

I. SUMMARY

The city of Carson (City) and the Carson Redevelopment Agency (Agency) are being asked to consider entering into a financing agreement (Financing Agreement) (Exhibit No. 1), pursuant to which the Agency and/or City may advance funds to the Carson Housing Authority (Authority) to support its operations and projects.

II. RECOMMENDATION

TAKE the following actions:

1. WAIVE further reading and ADOPT Resolution No. 11-053, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING A FINANCING AGREEMENT BY AND AMONG THE CARSON HOUSING AUTHORITY, THE CITY OF CARSON AND THE CARSON REDEVELOPMENT AGENCY FOR THE PROVISION OF FINANCIAL ASSISTANCE TO THE CARSON HOUSING AUTHORITY."
2. AUTHORIZE the Mayor to execute the Financing Agreement following approval as to form by the City Attorney.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

On March 8, 2011, the City Council adopted Resolution No. 11-035, which established the Authority in accordance with the California Housing Authorities Law (HA Law). Because the Authority was recently formed, it presently lacks funds needed to properly operate, transact business, and exercise its powers for the

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benefit of the City. To address this issue, the Agency will enter into that certain Amended and Restated Transfer Agreement (Transfer Agreement) (Exhibit No. 2) to transfer certain Agency-owned properties and affordable housing set-aside money to the Authority to finance the Authority's operations and the future development of the transferred properties as affordable housing opportunities in the City.

In the event the Authority requires additional financing to support its operations or projects, beyond the funds provided via the Transfer Agreement, the City or Agency may advance such funds to the Authority pursuant to a Financing Agreement. The funds advanced by the City and/or Agency, plus all accrued interest thereon, will be repaid by the Authority when funds generated from the Authority's operations are available. Staff, therefore, recommends that the City Council adopt Resolution No. 11-053 (Exhibit No. 3) approving the Financing Agreement.

V. FISCAL IMPACT

None.

VI. EXHIBITS

Exhibit No.'s 1 and 2 listed below are included with the Carson Redevelopment Agency Joint Item.

1. Financing Agreement. (pgs. 3-5)
2. Amended and Restated Transfer Agreement. (pgs. 6-118)
3. Resolution No. 11-053. (pgs. 119-120)

Prepared by: William N. Watkins, Redevelopment Project Analyst

TO:Rev032811

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development Services	Public Services

Action taken by City Council

Date _____ Action _____

RESOLUTION NO. 11-053

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING A FINANCING AGREEMENT BY AND AMONG THE CARSON HOUSING AUTHORITY, THE CITY OF CARSON AND THE CARSON REDEVELOPMENT AGENCY FOR THE PROVISION OF FINANCIAL ASSISTANCE TO THE CARSON HOUSING AUTHORITY

WHEREAS, the City Council of the city of Carson ("City Council") has established the Carson Housing Authority (the "Housing Authority") to function in the city of Carson ("City") in accordance with the California Housing Authorities Law (Health and Safety Code Section 34200 *et seq.*); and

WHEREAS, pursuant to Section 33220 of the California Community Redevelopment Law, which is codified as Health and Safety Code Section 33000 *et seq.* (CRL), certain public bodies, including the City, the Housing Authority, and the Carson Redevelopment Agency ("Agency"), may aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects; and

WHEREAS, the Housing Authority presently has no funds with which to carry out its purposes; and

WHEREAS, the Housing Authority desires to obtain financial assistance from the City and Agency in order to finance the operations of the Housing Authority; and

WHEREAS, the City, the Agency, and the Housing Authority staff have prepared a financing agreement ("Financing Agreement") pursuant to which the City and Agency may make such periodic advances of funds to the Housing Authority; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, the City Council of the city of Carson does hereby resolve, as follows:

Section 1. The City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The Financing Agreement, a copy of which is attached hereto as Exhibit "A" and incorporated herein, is hereby approved.

Section 3. The City Manager, or designee, is authorized and directed to execute the Financing Agreement and to take such other actions and execute such other documents as may be necessary to implement and affect this Resolution and the Financing Agreement on behalf of the City, together with such non-substantive changes and amendments as may be approved by the City Manager and the City Attorney.

Section 4. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and ADOPTED, this 5th day of April, 2011.

Mayor Jim Dear

ATTEST:

City Clerk Helen S. Kawagoe

APPROVED AS TO FORM:

City Attorney