



**HOUSING AUTHORITY
of the County of Los Angeles**

700 W. Main Street • Alhambra, CA 91801

Tel: 626.262.4510 • TDD: 855.892.6095 • www.hacola.org

**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

August 20, 2013

The Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

ADOPTED

BOARD OF COMMISSIONERS
HOUSING AUTHORITY

1-H August 20, 2013

SACHI A. HAMAI
EXECUTIVE OFFICER

**ADOPT A RESOLUTION AUTHORIZING THE HOUSING AUTHORITY TO ACCEPT LIMITED
TRANSFER OF HOUSING FUNCTIONS FROM THE FORMER REDEVELOPMENT AGENCY OF
THE CITY OF ARCADIA
(DISTRICT 5) (3 VOTES)**

SUBJECT

This letter recommends that your Board authorize the Housing Authority of the County of Los Angeles (Housing Authority) to accept the limited transfer of the Alta Street Classics development of the City of Arcadia's former redevelopment agency for the sole purpose of enforcing the affordability covenants for the development.

IT IS RECOMMENDED THAT THE BOARD:

1. Adopt the attached resolution permitting the Executive Director to have documents recorded and take any necessary actions to effectuate the transfer of the housing functions of the former redevelopment agency of the City of Arcadia for the Alta Street Classics development.
2. Find that adoption of this resolution is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to transfer the Alta Street Classics development housing function of the City of Arcadia's former redevelopment agency to the Housing Authority. As part of the redevelopment dissolution process established under California Health and Safety Code (HSC)

Section 34176, municipalities were given the option of transferring the housing assets and/or functions of their former redevelopment agencies to a local housing authority if they did not wish to administer the housing assets themselves.

On January 3, 2012, the City Council of the City of Arcadia elected to transfer the former redevelopment agency's housing assets to the Housing Authority, whose jurisdiction includes the City of Arcadia. On May 22, 2012, the Oversight Board to the City of Arcadia Successor Agency directed the City of Arcadia Successor Agency to transfer housing assets and functions of the former redevelopment agency to the Housing Authority. The State of California Department of Finance certified a list of housing assets to be transferred to the Housing Authority on February 6, 2013.

The Housing Authority has not accepted the entire transfer of housing functions and assets from Arcadia and other dissolved municipal redevelopment agencies seeking to transfer housing functions and/or assets to the Housing Authority. Any acceptance will occur upon Board approval, pending clarification of the full extent of responsibilities, assets, liabilities, duties and authorities pertaining to housing functions which are to be transferred. However, to avoid further disruption to the affected residents of the Alta Street Classic development, the Housing Authority is, without waiving its rights to object to the transfer of housing functions, electing to accept authority on a case by case basis.

The Housing Authority's limited role in the Alta Street Classics development will be to enforce the affordability covenants in the Occupancy and Affordability Covenants and Restrictions executed between the City's former redevelopment agency, the homeowners, and the developer.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. Administrative costs associated with the transfer of these housing functions to the Housing Authority will be financed with funds included in the Housing Authority's approved Fiscal Year 2013-2014 budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Housing Authority will be accepting the Alta Street Classic development, which consists of affordability covenants in six condominiums. The project is owner occupied, but subject to affordability covenants that were administered by the former Arcadia redevelopment agency. The redevelopment agency had a process in place to monitor affordability of the units and to facilitate resale of those units. Approval of the resolution would assign this responsibility to the Housing Authority.

Approval of the resolution will authorize the Executive Director to record "Notice of Limited Transfer of Housing Functions" (Notice) with the County Recorder, establishing the Housing Authority's right to take actions, make decisions and enforce the rights of the former Arcadia redevelopment agency's interest in the Alta Street Classics project. A sample Notice has been attached to the resolution.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment.

This action is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378 (b) of the State CEQA

guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect physical change to the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Adoption of the resolution will avoid further disruption in the management and operation of the Alta Street Classics development. The Housing Authority is not waiving its rights to object to the transfer of further housing assets, projects, and programs from former redevelopment agencies.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", with a horizontal line extending to the right.

SEAN ROGAN
Executive Director

SR:dr

Enclosures

RESOLUTION NO. _____

RESOLUTION APPROVING ACCEPTING LIMITED TRANSFER OF THE ALTA STREET CLASSICS DEVELOPMENT OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF ARCADIA

WHEREAS, the Housing Authority of the County of Los Angeles ("Housing Authority") exercises jurisdiction throughout Los Angeles County in the form of agreements to administer Section 8 and other affordable housing programs on behalf of and in conjunction with municipalities; and

WHEREAS, the legislation dissolving redevelopment agencies statewide created a process whereby municipalities could elect to transfer the housing assets and functions previously performed by a redevelopment agency and transfer rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the agency to a Housing Authority with territorial jurisdiction of the former agency; and

WHEREAS, on January 3, 2012 the City Council of the City of Arcadia adopted a resolution whereby the City elected not to retain the housing assets and functions previously performed by the former Arcadia redevelopment agency and instead transfer all rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the agency to the Housing Authority; and

WHEREAS, on May 22, 2012 the Oversight Board to the successor agency to the Arcadia redevelopment agency directed the Arcadia successor agency to transfer the housing assets and functions of the former Arcadia redevelopment agency to the Housing Authority; and

WHEREAS, on February 6, 2013, the California Department of Finance issued a finding that the various items named as housing assets by the Arcadia successor agency were eligible for transfer; and

WHEREAS, the Housing Authority has not accepted the transfer of any housing assets pending clarification of an understanding of the full extent of the responsibilities, assets, liabilities, duties and authorities pertaining to the housing assets which are to be transferred and in this regard has sought legal, administrative and legislative guidance; and

WHEREAS, the Housing Authority has agreed to accept the limited transfer of the Alta Street Classics development for the sole purpose of enforcing the affordability covenants for such development pursuant to the Occupancy and Affordability Covenants and Restrictions; and

WHEREAS, to avoid any disruption in the management and operation of the Alta Street Classics development, the Housing Authority is, without waiving its rights to object to the transfer of the housing assets and functions, electing to accept the Alta

Street Classics development for the purpose of enforcing the affordability covenants for such development; and

WHEREAS, the Housing Authority, without waiving its right to object to the transfer of housings assets and functions, will accept authority on a case by case basis for other housing assets and/or functions previously subjected to the responsibility of the former Arcadia redevelopment agency and other municipalities.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Los Angeles:

1. The Housing Authority agrees to undertake to assume authority to take actions, make decisions, and enforce the rights of the former redevelopment agency of the City of Arcadia solely with respect the Alta Street Classics development.
2. Authorizes the Executive Director of the Housing Authority to have documents recorded and take any necessary actions to effectuate the transfer the housing function of the former redevelopment agency of the City of Arcadia related to the Alta Street Classics development.

APPROVED AND ADOPTED by the Board of Commissioners by the Housing Authority of the County of Los Angeles on this 20th day of August, 2013.

ATTEST:

SACHI A. HAMAI
Executive Officer- Clerk of the
Commissioners

MARK RIDLEY-THOMAS
Chairman of the Board of
Board of Commissioners

By: Sachelle Smitheman

Deputy

By: Mark Ridley-Thomas

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: Belnez Duhaka

Deputy



RECORDING REQUESTED BY AND
AFTER RECORDATION, MAIL TO:

HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES
700 West Main St.
Alhambra, CA 91801
Attn.: Director of Housing and
Economic Development

(Space Above Line for Recorder's use)

This Agreement is recorded at the request and for the benefit of the Housing Authority of the County of Los Angeles and is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

NOTICE OF LIMITED TRANSFER OF HOUSING FUNCTIONS

THIS NOTICE OF LIMITED TRANSFER OF HOUSING FUNCTIONS ("Notice") is given as of _____, 2013 by the **HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES**, a public body corporate and politic ("HACOLA"). Notice is hereby given of the following:

- (i) The Redevelopment Agency of the City of Arcadia, a public body corporate and politic ("Dissolved RDA") was dissolved by the State of California as of February 1, 2012 pursuant to ABXI 26, 2011-12 1st Ex. Sess. (Cal. 2011) section 34172;
- (ii) Pursuant to amending legislation known as AB 1585 (Cal. 2012) which among other things amended California Health and Safety Code Section 34176, the City of Arcadia which authorized the creation of the Dissolved RDA has elected not to retain the responsibility for performing housing functions previously performed by the Dissolved RDA and is transferring such housing functions to the HACOLA;
- (iii) HACOLA has not accepted this transfer of housing functions pending clarification of full extent of the responsibilities, assets, liabilities, duties and authorities pertaining to the housing functions which are to be transferred and in this regard has sought legal, administrative and legislative guidance;
- (iv) However, to avoid further disruption in the management and operation of housing projects funded or established by the Dissolved RDA, HACOLA is, without waiving its rights to object to the transfer of the housing functions, electing to accept authority on a case by case basis for projects previously subject to the responsibility of the Dissolved RDA; and

(vi) With regard to and limited to only the property described on Exhibit A attached hereto and made a part hereof, HACOLA agrees to undertake the authority to take actions, make decisions, and enforce the rights of the Dissolved RDA under the Occupancy and Affordability Covenants and Restrictions, dated as of March 20, 2008 among TRA Demark Development Company, LLC and Dissolved RDA and [NAME OF OWNER OCCUPANT], recorded as Instrument no. [# OF INSTRUMENT] in the Official Records of the County of Los Angeles on [DATE].

IN WITNESS WHEREOF, HACOLA has caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized as of date first written above.

HACOLA:

HOUSING AUTHORITY OF THE COUNTY OF
LOS ANGELES, a public body corporate and
politic

By: _____

SEAN ROGAN,
Executive Director

APPROVED AS TO FORM:

John F. Krattli, County Counsel

By: _____

Deputy

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, 20____, before me _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

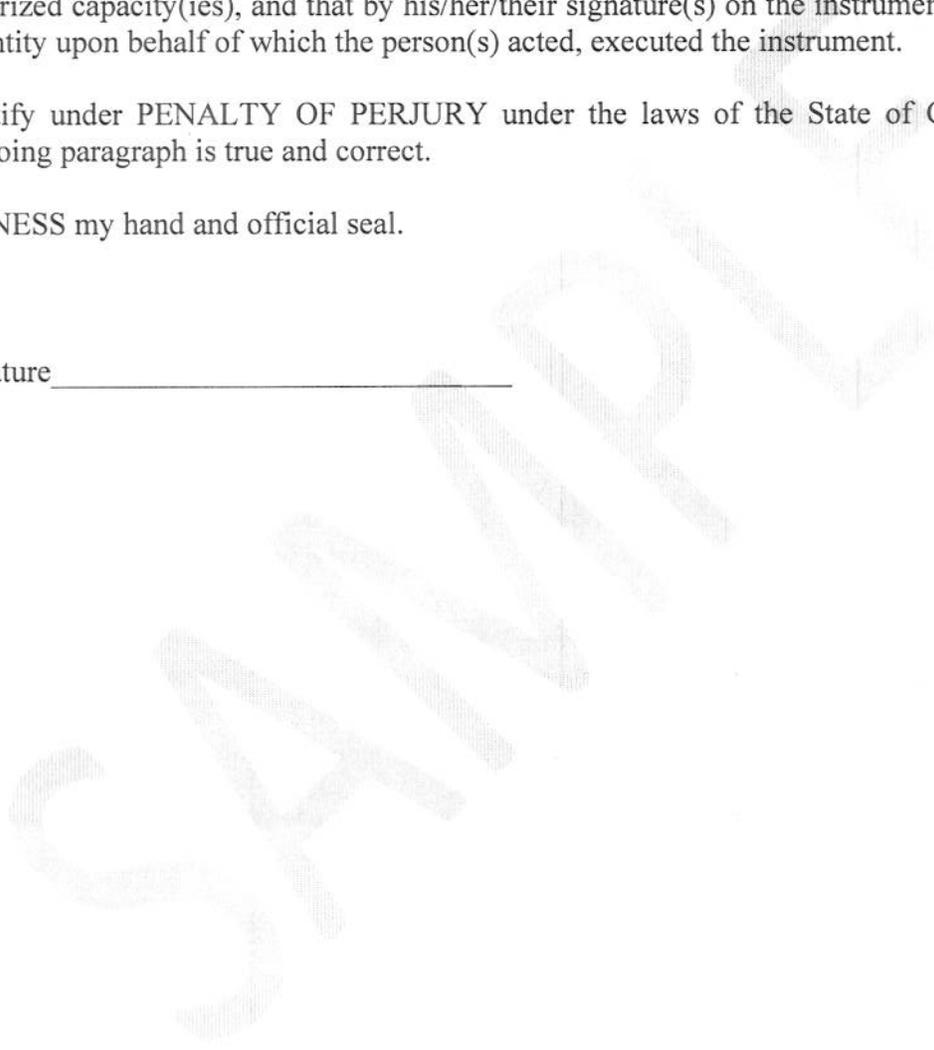


EXHIBIT A

Real property in the City of Arcadia, County of Los Angeles, State of California, described as follows:

[LEGAL DESCRIPTION]

SAMPLE