

RESOLUTION NO. 2018- \_\_\_\_\_

**A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF  
POMONA, CALIFORNIA, APPROVING A PURCHASE AND SALE  
AGREEMENT WITH WATT COMMUNITIES, LLC, FOR THE  
PROPERTIES LOCATED AT 150-180 E. CENTER STREET**

**WHEREAS**, the properties located at 150-180 E. Center Street, City of Pomona (APN's 8336-026-900 – 903, the "Properties") were purchased by the former Pomona Redevelopment Agency ("Former RDA") with low-and moderate-income housing funds ("LMIHF") as part of a complex transaction involving adjacent parcels, and in contemplation of a future affordable housing project, and subsequently deeded to, and owned and managed by, the Pomona Housing Authority ("Authority");

**WHEREAS**, California's Health & Safety Code authorizes the Authority to sell or otherwise dispose of real property acquired with LMIHF for affordable housing or other purposes, provided that if for non-affordable housing purposes, the proceeds of any sale or disposition are returned to the Authority for subsequent use for a qualifying affordable housing purpose;

**WHEREAS**, Watt Communities, LLC ("Developer") desires to acquire the Properties in contemplation of a future market-rate residential project, the exact nature, size, and scope of which is unknown and speculative at this time, and shall be governed by future discretionary entitlements to be considered by the City Council of the City of Pomona, following consideration of an environmental analysis that satisfies the requirements of the California Environmental Quality Act ("CEQA," and the "Project");

**WHEREAS**, Developer has previously entered into a purchase and sale agreement with the Successor Agency to the Pomona Redevelopment Agency ("Successor Agency"), approved as of March 19, 2018, for the acquisition of a parcel adjacent to the Properties for potential inclusion in the Project, and escrow on said transaction is currently open and pending;

**WHEREAS**, on July 16, 2018, the City entered into an Exclusive Negotiation Agreement with Developer for the additional property adjacent to the Properties, and contemporaneous with this Resolution, the City Council has / will adopt a Resolution approving an agreement for the sale of such adjacent property to Developer;

**WHEREAS**, the Authority has caused an appraisal of the Properties to be performed, and Authority and Developer have reached an agreement as to a purchase price for the Properties, which is consistent with the fair-market value stated in said appraisal;

**WHEREAS**, Chapter 4 of the Community Redevelopment Law outlines the procedures and requirements applicable to the sale or disposition of real property assets acquired with property tax increment monies, including LMIHF, and such procedures require that any such sale or disposition must be approved by Resolution adopted by a majority of the governing board, and that such Resolution contain certain findings described in Health and Safety Code section 33433;

**WHEREAS**, Chapter 4 of the Community Redevelopment Law further requires that any such sale or disposition of real property acquired with property tax increment monies be preceded by the preparation and publication of a report as described in Health and Safety Code section 33433 (the "Report");

**WHEREAS**, the Report for the proposed sale transaction described herein has been prepared and published as required by law, and the Authority has conducted a duly noticed public hearing on the proposed property sales, and all other legal prerequisites to the adoption of this Resolution have occurred; and

**WHEREAS**, the Authority finds and declares that sale of the Properties to Developer, on the terms and conditions stated in this Resolution, furthers the common benefit and welfare of the public, and is beneficial to the health, safety, and welfare of the community.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Housing Authority of the City of Pomona as follows:

**SECTION 1.** That the above recitals are true and accurate and incorporated as a substantive part of this Resolution, and supportive of the findings made herein.

**SECTION 2.** That the Authority hereby approves of the Report, and finds and declares that: (1) the sale of the Properties as described in Exhibit "B" will assist in the elimination of blight and be consistent with the implementation plan adopted by the Former RDA, in that the Properties are either vacant, underdeveloped, or in a state of significant disrepair, and the sales of the Properties will facilitate the development, redevelopment, or revitalization of the Properties by private parties in a manner that is consistent with the implementation plan and City's General Plan, and generate property tax revenues for the City and area taxing entities; and (2) the consideration paid for the purchase of the Properties is not less than the fair market value at the Properties', and each of them, highest and best use in accordance with the Former RDA's implementation plan.

**SECTION 3.** That the Authority hereby approves sale of the Property to Developer for the purchase price of FIVE HUNDRED EIGHTY THOUSAND DOLLARDS (\$580,000), the proceeds of which, subject to certain offsets and reductions specified in the Agreement (defined below), shall be utilized for affordable housing purposes, and such sale shall be in accordance with the Purchase and Sale Agreement and Joint Escrow Instructions attached as Exhibit "A" ("Agreement"), \ hereby approved by the Authority in substantially the form attached.

**SECTION 4.** That the City Manager, as Executive Director of the Authority, is hereby authorized to execute the Agreement on behalf of the Authority, and to execute such other documents, and take such other actions, as may be reasonably necessary to consummate the transaction described herein.

**SECTION 5.** That the Authority, on the basis of the whole record and exercising independent judgment, finds that this Resolution is not subject to environmental review pursuant to Sections 15060(c)(2) and 15060(c)(3) of the State Guidelines for implementation of the California Environmental Quality Act (CEQA). Sections 15060(c)(2) and 15060(c)(3) pertain to activities that will not result in a direct or reasonably foreseeable indirect change to the environment and that are

not defined as a project under Section 15378. The proposed transaction contemplates only the sale of the Properties in its current condition, and any subsequent alternation or development of the Properties by Developer, for the Project or otherwise, will be subject to future discretionary action of the City Council of the City of Pomona, and subject to the City Council's consideration and approval of the appropriate environmental analysis and resulting study under the California Environmental Quality Act.

**SECTION 6.** The City Clerk, as Secretary to the Authority, shall attest and certify to the passage and adoption of this resolution and it shall be effective immediately upon its approval.

**APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.**

**ATTEST:**

**HOUSING AUTHORITY OF THE CITY  
OF POMONA:**

\_\_\_\_\_  
Marie M. Macias, Interim City Clerk

\_\_\_\_\_  
Tim Sandoval, Chair

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Arnold Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CITY OF POMONA

I, MARIE M. MACIAS, INTERIM CITY CLERK of the City of Pomona do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council on the \_\_\_\_ day of \_\_\_\_\_, 2018 by the following vote:

AYES: COUNCIL MEMBERS:  
NOES: COUNCIL MEMBERS:  
ABSENT: COUNCIL MEMBERS:  
ABSTAIN: COUNCIL MEMBERS:

\_\_\_\_\_  
Marie M. Macias, Interim City Clerk