(HA-94-52) HOUSING AUTHORITY OF THE CITY OF SAN DIEGO RESOLUTION NO. 00680B ADOPTED ON MARCH 22, 1994

A RESOLUTION APPROVING WAIVER OF PAYMENT IN LIEU OF TAXES (PILOT) PAYMENTS

WHEREAS, the Housing Authority of The City of San Diego ("Local Authority") has entered into an agreement with the City of San Diego committing the City to provide the same services to conventional housing units that would be provided to a private residential development; and

WHEREAS, the purpose of the Payment in Lieu of Taxes (PILOT) payment is to reimburse the City of San Diego for the cost of services traditionally covered by real property taxes; and

WHEREAS, the Housing Authority has expended monies for services usually provided by the City of San Diego; and

WHEREAS, the existing Cooperation Agreement between the Housing Authority and the United States Department of Housing and Urban Development ("HUD") specifies that during the term of the Cooperation Agreement the Housing Authority "shall make annual payments (herein called 'Payments in Lieu of Taxes') in lieu of property taxes and special assessments and in payment for the Public services and facilities furnished from time to time . . .;" and

WHEREAS, the Cooperation Agreement further provides that such annual payment in lieu of taxes may be either ten percent of the rent collected for low-rent housing projects or "the amount permitted to be paid by applicable state law in effect on the date such payment is made, whichever amount is the lower;" and

WHEREAS, the state law applicable to the Housing Authority and Housing Commission does not require payments in lieu of taxes so that no such payment is legally required under the Cooperation Agreement; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority that the City Council is hereby requested to waive all further Payment in Lieu of Taxes (PILOT) payments by the Housing Authority, and the Acting Executive Director is hereby authorized to execute an addendum to the Cooperation Agreement to provide for such waiver.

APPROVED: JOHN W. WITT, General Counsel By Harold O. Valderhaug Chief Deputy Counsel HOV:ps 03/17/94 Or.Dept:Hsg.Comm. HA-94-52 Form=ha.t