

(RA-95-70)
REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO
RESOLUTION NO. 2470
ADOPTED ON JANUARY 24, 1995

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO APPROVING A SECOND
MORTGAGE LOAN PROGRAM AND THE FORM OF
DOCUMENTS TO BE USED IN CONNECTION WITH SUCH
PROGRAM.

WHEREAS, the Council of The City of San Diego (the "Council") has heretofore adopted the Redevelopment Plan for the Centre City Redevelopment Project on May 11, 1992, by Ordinance No. O-17767 (New Series); and

WHEREAS, the Council has heretofore adopted the Redevelopment Plan for the Horton Plaza Redevelopment Project on July 25, 1972, by Ordinance No. O-10882 (New Series) (collectively, with the Redevelopment Plan for the Centre City Redevelopment Project, the "Redevelopment Plans"); and

WHEREAS, the Redevelopment Agency of The City of San Diego (the "Agency") is engaged in activities necessary to carry out and implement the Redevelopment Plans for the Centre City Redevelopment Project and the Horton Plaza Redevelopment Project (collectively, the "Redevelopment Project Areas"); and

WHEREAS, pursuant to California Community Redevelopment Law sections 3334.2(a) and 33334.6(c) (Cal. Health and Safety Code section 33000 et seq.) not less than twenty percent (20%) of all taxes which are allocated to the Agency from the Redevelopment Project Areas are set aside by the Agency in a Low and Moderate Income Housing Fund (the "Housing Funds") and used by the Agency for the purpose of increasing, improving and preserving the community's supply of housing available at affordable housing costs to persons and families of low and moderate income; and

WHEREAS, the Agency desires to assist persons and families of Moderate Income as defined by California Health and Safety Code section 50093 to purchase residential property and to increase, improve and

preserve Moderate Income housing available at affordable housing cost within the Redevelopment Project Areas in accordance with the California Community Redevelopment Law (specifically, Health and Safety Code section 33334.2); and

WHEREAS, in order to provide such assistance, the Agency proposes to make Second Mortgage Loans to persons and families of Moderate Income seeking to purchase housing in the Redevelopment Project Areas; and

WHEREAS, the staff of the Centre City Development Corporation has submitted to this Agency a proposed Second Mortgage Loan Program (the "Program") designed to encourage home ownership by Moderate Income households in newly constructed or newly converted housing in the Project Areas, as well as a proposed form of the following documents to be used in connection therewith (hereinafter referred to as the "Documents"):

Agreement Regarding Second Mortgage Loans (including rehabilitation or new construction);

Agreement Regarding Second Mortgage Loans (no rehabilitation or new construction);

Loan Agreement;

Promissory Note;

Deed of Trust and Security Agreement;

Notice of Restrictions and Right of First Refusal to Purchase Property;

Moderate Income Home Buyer Mortgage Loan Program Disclosure Statement;

Truth in Lending Act Loan Disclosure Statement; and

WHEREAS, the Centre City Development Corporation, Inc. ("CCDC"), has reviewed and discussed the proposed Program and Documents, and has recommended that the Agency approve the Program and the form of the Documents to be used in connection therewith; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Program and Documents and believes that the Program and Documents are in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law and requirements; NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of The City of San Diego, as follows:

1. That the Agency hereby approves the Program, including the form of Documents to be used in connection therewith.

2. That the Executive Director of the Agency (or his designee) is hereby authorized to implement the Program, and in connection therewith:

- a. to approve, on behalf of the Agency, one or more Agreements Regarding Second Mortgage Loans with owners of property in the Redevelopment Project Areas in accordance with the terms, conditions and criteria of the Program, and to make such changes of a nonsubstantive nature to such Agreements as the Executive

Director or his designee shall deem appropriate; and

b. to approve not more than \$500,000 in Second Mortgage Loans to eligible Moderate Income purchasers in accordance with the terms, conditions and criteria of the Program and the form of Documents approved hereby, and to make such changes of a nonsubstantive nature to such Documents as the Executive Director or his designee shall deem appropriate.

A copy of such executed Agreements or Second Mortgage Loan Documents, when executed by the Agency Executive Director or his designee, shall be placed on file in the office of the Secretary of the Agency and shall be designated by a document number.

3. That the Executive Director of the Agency or his designee is hereby authorized, on behalf of the Agency, to sign all Documents and instruments necessary and appropriate to carry out and implement the Program and to administer the Agency's obligations, responsibilities and duties to be performed under the Program.

APPROVED: JOHN W. WITT, General Counsel

By

Allisyn L. Thomas

Deputy Counsel

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Or.Dept:CCDC

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