

JOINT RESOLUTION NO. 15-\_\_\_\_

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA AND THE COSTA MESA HOUSING AUTHORITY AUTHORIZING AND DIRECTING: (1) THE CITY'S (A) CONVEYANCES AND TRANSFERS OF FEE TITLE BY QUITCLAIM DEEDS, AND (B) ASSIGNMENTS OF REGULATORY AGREEMENTS AND BILLS OF SALE TO ALL PERSONAL PROPERTY TO THE COSTA MESA HOUSING AUTHORITY, AND (2) THE HOUSING AUTHORITY'S ACCEPTANCE OF SUCH CONVEYANCES, ASSIGNMENTS AND BILLS OF SALE, RELATING TO CERTAIN AFFORDABLE HOUSING PROJECTS AND REAL PROPERTIES LOCATED AT 745 W. 18TH STREET (APN: 424-052-01) AND 734, 740 AND 744 JAMES STREET (APNS 424-052-18, AND 424 052-19 AND 424-052-20) IN THE CITY OF COSTA MESA, STATE OF CALIFORNIA, AND (3) THE CEO AND ASSISTANT CEO ON BEHALF OF THE CITY, AND THE EXECUTIVE DIRECTOR AND ASSISTANT EXECUTIVE DIRECTOR ON BEHALF OF THE HOUSING AUTHORITY ARE AUTHORIZED AND DIRECTED TO EXECUTE THE QUITCLAIM DEEDS AND ASSIGNMENT AGREEMENTS FOR SUCH PROPERTIES.**

**THE CITY COUNCIL OF THE CITY OF COSTA MESA AND THE COSTA MESA HOUSING AUTHORITY DO HEREBY RESOLVE AS FOLLOWS:**

**WHEREAS**, the City of Costa Mesa ("City") is a California municipal corporation; and

**WHEREAS**, the City Council by Resolution adopted on January 17, 2012 declared the need for a housing authority to function in the City of Costa Mesa, established the "Costa Mesa Housing Authority" ("Authority"), and declared that the members of the City Council are the Commissioners of the Housing Authority so formed all pursuant to the California Housing Authorities Law, commencing with Health & Safety Code Section 34200, *et seq.* ("HAL"); and

**WHEREAS**, the Authority is the housing successor under Parts 1.8 and 1.85, Division 24, of the California Health and Safety Code ("Dissolution Law"); and

**WHEREAS**, the City acquired certain properties and affordable housing projects and all interests and improvements therein and thereon, located at 745 W. 18<sup>th</sup> St. and 734, 740 and 744 James St. in the City, through foreclosure proceedings at a Trustee's sale held on August 28, 2015 and by Trustee Deed recorded on September 1, 2015 in the Official Records, County of Orange, State of California ("Official Records") as Instrument Nos. 2015-000452652 and 2015-000452650, respectively (together, the "Properties" and individually the "745 Project" and "743 Project"); and

**WHEREAS**, in order to preserve these “at-risk” affordable housing, the City and Housing Authority acquired the Properties at the Trustee sales; and

**WHEREAS**, under the HAL a housing authority’s statutory purpose is to promote and provide decent, safe and sanitary housing in the community; and

**WHEREAS**, the Housing Authority also serves as the housing successor that assumed the affordable housing assets and functions of the now dissolved Costa Mesa Redevelopment Agency pursuant to Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code, in particular Sections 34176 and 34176.1 (“Dissolution Law”); and

**WHEREAS**, while a city has broad powers and purposes, a housing authority is more limited in purpose; this narrower focus equates to a more detailed statutory scope of affordable housing functions, which powers include ownership, operation, maintenance, financing by loans, issuance of bonds, rehabilitation and new construction of housing and enforcement of applicable laws; and

**WHEREAS**, the City desires to convey all of its interests in the Properties to the Housing Authority; and

**WHEREAS**, the Housing Authority desires to accept from the City all of its interests in the Properties and to continue to operate the existing structures and facilities for affordable housing purposes subject to the HAL and the Dissolution Law; and

**WHEREAS**, the subject transfers of the Properties and assignment of all interests will be completed by Quitclaim Deeds and Assignment and Bill of Sale Agreements, substantially in the forms attached to this joint Resolution as Exhibits A and B, respectively; and

**WHEREAS**, the subject transfers of the Properties are intended to involve no or negligible expansion of the existing uses of the Properties as affordable housing other than continued operation, repair, maintenance, leasing, or minor alteration; and

**WHEREAS**, pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000, *et seq.*, and the implementing regulations set forth at Title 14 California Code of Regulations Section 15000, *et seq.* (collectively, “CEQA”), in particular Section 15301, Existing Facilities, provides that the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, involving negligible or no expansion of use beyond that existing at the time of the City’s and Housing Authority’s determination qualifies as a project that is categorically exempt under CEQA.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COSTA MESA AND THE COSTA MESA HOUSING AUTHORITY** as follows:

Section 1. The foregoing recitals are true and correct and are a substantive part of this joint Resolution.

Section 2. By this joint Resolution the City Council and Housing Authority authorize and direct (a) the City's (i) conveyances and transfers of fee title of the Properties by the Quitclaim Deeds substantially in the form of Exhibit A, and (ii) the City's assignments of the Regulatory Agreements of record against the Properties and bills of sale to all personal property related thereto held by the City to the Housing Authority, and (b) the Housing Authority's acceptance of such Quitclaim Deeds and Assignments and bills of sale, for the Properties located at 745 W. 18th Street (APN: 424-052-01) and 734, 740 and 744 James Street (APNs 424-052-18, and 424 052-19 and 424-052-20) in the City of Costa Mesa, State of California, and (iii) the CEO and his authorized representative(s) on behalf of the City, and the Executive Director and his authorized representative(s) on behalf of the Housing Authority shall execute, and the City Clerk and Secretary shall attest the Quitclaim Deeds and Assignment and Bill of Sale Agreements for such Properties.

Section 3. The subject transfers and assignments of the Properties are intended to involve no or negligible expansion of the existing uses of the Properties as affordable housing other than continued operation, repair, maintenance, leasing, or minor alteration and therefore are categorically exempt from CEQA pursuant to Section 15301.

Section 4. The City Clerk/Secretary is hereby directed to file a Notice of Exemption with the County Clerk of the County of Orange, pursuant to Public Resources Code Section 21152 and CEQA Guidelines Section 15062.

Section 5. The Quitclaim Deeds and Assignments shall be caused to be recorded in the Official Records. The conformed copies and recorded originals of the Quitclaim Deeds and Assignments shall be placed on file in the office of the City Clerk/Secretary.

Section 6. Further, the CEO and his authorized representative(s) and the Executive Director and his authorized representative(s) are authorized and directed to take all further actions and execute all documents referenced herein and/or necessary and appropriate to carry out this joint Resolution provided the actions shall not otherwise materially affect the rights and obligations of the City or the Housing Authority except as set forth in this joint Resolution.

[Joint Resolution continues on next page]

Section 7. The City Clerk and Authority Secretary shall certify to the adoption of this Joint Resolution.

**PASSED AND ADOPTED** this 15<sup>th</sup> day of September, 2015.

**CITY COUNCIL:**

\_\_\_\_\_  
Stephen M. Mensinger, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Thomas P. Duarte, City Attorney

**COSTA MESA HOUSING AUTHORITY:**

\_\_\_\_\_  
Stephen M. Mensinger, Chair

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Brenda Green, Secretary

\_\_\_\_\_  
Celeste Stahl Brady, Counsel

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss  
CITY OF COSTA MESA )

I, BRENDA GREEN, City Clerk of the City of Costa Mesa and Secretary of the Costa Mesa Housing Authority, DO HEREBY CERTIFY that the above and foregoing Resolution No. 15- \_\_\_\_ is the original joint resolution of the City Council and Authority that was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting and by the Costa Mesa Housing Authority at a special meeting held on the 15<sup>th</sup> day of September 2015, by the following roll call vote, to wit:

CITY COUNCIL:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Housing Authority:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

**EXHIBIT A  
TO JOINT RESOLUTION**

**QUITCLAIM DEEDS**

(attached)

**EXHIBIT B  
TO JOINT RESOLUTION  
ASSIGNMENT AND BILL OF SALE AGREEMENTS  
(attached)**