

**A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA  
VESTING IN THE CITY COUNCIL THE CITY'S APPROVAL AUTHORITY OF  
PURCHASE OPTION AGREEMENTS WITH THE CALIFORNIA COMMUNITY  
HOUSING AGENCY AND PUBLIC BENEFIT AGREEMENTS WITH THE CSCDA  
COMMUNITY IMPROVEMENT AUTHORITY FOR THE PURPOSE OF  
CONSIDERATION AND APPROVAL OF FUTURE WORKFORCE HOUSING  
PROPERTY ACQUISITIONS BY SAID ENTITIES**

**WHEREAS**, on February 11, 2020, the City Council adopted Resolution No. 20-06 authorizing the City of Glendale to become a member of the California Community Housing Agency ("CalCHA"), a joint powers agency, for the purpose of financing the acquisition, construction, rehabilitation, ownership, operation, maintenance, and/or financing of multifamily housing for low-income, moderate-income and middle-income families and individuals; and

**WHEREAS**, on January 19, 2021, the City Council adopted Resolution No. 21-05 authorizing the City to become a member of the CSCDA Community Improvement Authority ("CSCDA") for the purpose of promoting economic, culture and community development in the City; and

**WHEREAS**, CalCHA and CSCDA issue tax-exempt bonds to acquire market rate apartment projects located within member cities' jurisdictions, usually Class A market rate projects valued at \$100 million or more, and convert these complexes to income and rent-restricted units for low and moderate income households; and

**WHEREAS**, in Glendale, CalCHA's and CSCDA's program generally address households with incomes ranging from \$63,120 (1-person household at 80% AMI) to \$146,040 (5-person household at 120% AMI); and

**WHEREAS**, as market-rate units within CalCHA and CSCDA projects become vacated over time, they will be re-leased to low and moderate income households with income and rent restrictions for the life of the bonds with the restricted rents capped at no more than 35% of the applicable percentage of AMI (i.e. 60%, 80%, 100% and 120%); and

**WHEREAS**, in addition, annual rent increases would be capped at no more than 4% which is less than the rent increases under AB1482, the recently adopted State tenant protection legislation; and

**WHEREAS**, when CalCHA or CSCDA acquires a property in Glendale, the City or Housing Authority would execute a Purchase Option Agreement (CalCHA) or Public Benefit Agreement (CSCDA) under which, the City or Housing Authority, at its sole discretion, may force a sale of the property between Year 15 and Year 30 (the end of the life) of the bonds, and the City would receive a portion of the net sale proceeds; and

**WHEREAS**, alternatively, the City or Housing Authority could direct CalCHA or CSCDA to continue to manage their respective properties and turnover any surplus revenue to the City until the projects are debt free, at which point the City would control the asset at no cost and could partner with a non-profit housing developer to continue ownership and management of the property or sell the assets; and

**WHEREAS**, the Council authorized the City Manager to execute the requisite Purchase Option Agreement or Public Benefit Agreement with CalCHA or CSCDA, respectively; and

**WHEREAS**, there are four market rate rental housing projects in Glendale that have been acquired by the two JPAs in 2021, comprising 1,349 units of market rate housing that will be converted over time to Very Low Income units (70 units), Lower Income units (70 units) and 1,197 units of Workforce Moderate Income units; and

**WHEREAS**, it is estimated the City will forego approximately \$751,000 in future property tax revenue per year due to the tax-exempt status of the four projects (approximately \$30.4 million in property tax over the life of the tax-exempt bonds used to purchase the projects); and

**WHEREAS**, the Council desires to review and consider the approval of the requisite Purchase Option Agreements and/or Public Benefit Agreements necessary for future Workforce Housing acquisitions by CalCHA and CSCDA.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE AS FOLLOWS:**

**SECTION 1.** The recitals as set forth herein above are true and correct and are incorporated herein by this reference.

**SECTION 2.** Notwithstanding Resolutions 20-06 and 21-05, the Council hereby vests in the City Council the City's approval authority of Purchase Option Agreements with CalCHA and Public Benefit Agreements with CSCDA for the purpose of consideration and approval of Workforce Housing property acquisitions by said entities.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

STATE OF CALIFORNIA                    )  
  )       SS  
COUNTY OF LOS ANGELES            )

I, ARAM ADJEMIAN, City Clerk of the City of Glendale, certify that the foregoing Resolution was adopted by the City Council of the City of Glendale, California, at a joint meeting with the Housing Authority held on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, and that same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

\_\_\_\_\_  
City Clerk