

RESOLUTION NO. 2015-193

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENTS TO INDIVIDUAL
REGULATORY AGREEMENTS FOR AFFORDABLE HOMEOWNERSHIP PROGRAM
UNITS TO UPDATE THE RESALE PRICING CALCULATION METHODOLOGY**

WHEREAS, the Affordable Homeownership Program comprises affordable units in two developments built by William Lyon Homes and Beazer Homes; and

WHEREAS, affordable units in each of the developments were subject to the terms of an Affordable Housing Agreement entered into in 2005 for William Lyon Homes and 2006 for Beazer Homes; and

WHEREAS, the terms of the Affordable Housing Agreements provided for a 55-year affordability deed restriction on certain properties, which was effectuated through the recordation of an Individual Regulatory Agreement and Shared Appreciation Deed of Trust on the affected properties; and

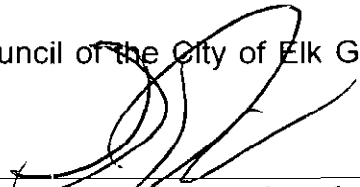
WHEREAS, the terms of the Individual Regulatory Agreement associated with the William Lyon Homes units provided a resale pricing calculation methodology that in some cases causes resale pricing to be lower than initial pricing; and

WHEREAS, staff proposes to counteract losses faced by low-income and moderate-income program owners on resale by setting resale pricing at the greater of the calculated price or the price paid by the first buyer of the unit, plus three percent (3%); and

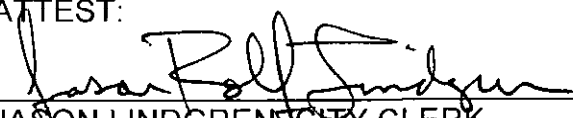
WHEREAS, this approval does not qualify as a "project" subject to the California Environmental Quality Act (CEQA) because it will result in no direct physical effect on the environment.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby authorizes the City Manager to execute amendments to Individual Regulatory Agreements for Affordable Homeownership Program units to update the resale pricing calculation methodology as noted in Exhibit A.


PASSED AND ADOPTED by the City Council of the City of Elk Grove this 23rd day of September 2015.



GARY DAVIS, MAYOR of the
CITY OF ELK GROVE

ATTEST:


JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:


JONATHAN P. HOBBS,
CITY ATTORNEY

EXHIBIT A

RECORDING REQUESTED BY AND
AFTER RECORDATION, MAIL TO:

City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758
Attn: Housing Program Manager

No fee for recordation pursuant to
Government Code Section 27383 and 6103

INDIVIDUAL REGULATORY AGREEMENT AMENDMENT #2

For valuable consideration, the receipt of which is hereby acknowledged, the CITY OF ELK GROVE (“City”) and [FULL LEGAL NAME OF OWNER] (“Owner” or “Qualified Purchaser”), with respect to that certain parcel of real property (the “Property”) known as [Property Address] and as more fully described on Attachment A, hereby amend that certain Individual Regulatory Agreement (“Agreement”) recorded against the Property on [Date] in Book [Book Number], Page [Page Number], records of Sacramento County.

1. Notwithstanding all other provisions of the Agreement, the Agreement is hereby amended to add the following provision:

1.2.a. “Resale Affordable Purchase Price” means the maximum sale price a Subsequent Qualified Purchaser may be required to pay for the Affordable Unit. The Resale Affordable Purchase Price shall be an amount the City determines based on the greater of (i) a calculation based on Resale Affordable Housing Cost, given current market factors, such as interest rates, or (ii) the Initial Affordable Purchase Price shown in Table 1 of Section 1.1 and adjusted for the applicable income level and unit size, plus three percent (3%), provided that the Owner acquired the unit in compliance with all terms of this Individual Regulatory Agreement.

2. All other provisions in the Individual Regulatory Agreement and Amendments shall remain in full force and effect.

<Remainder of page intentionally left blank>

IN WITNESS WHEREOF, the City and Owner have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, this _____ day of _____, 20__.

CITY OF ELK GROVE:

By: _____

LAURA S. GILL

Its: City Manager

Attest:

By: _____

JASON LINDGREN

Its: City Clerk

Approved as to form:

By: _____

JONATHAN P. HOBBS

Its: City Attorney

OWNER:

By: _____
NAME

By: _____
NAME

<NOTARY ACKNOWLEDGEMENT REQUIRED>

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF SACRAMENTO)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF SACRAMENTO)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Signature _____ (Seal)

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF SACRAMENTO)

On _____, 20__, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Signature _____ (Seal)

**EXHIBIT A
LEGAL DESCRIPTION**

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SACRAMENTO, CITY OF ELK GROVE, AND IS DESCRIBED AS FOLLOWS:

DESCRIPTION

APN: XXXX

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2015-193**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)


I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on September 23, 2015 by the following vote:

AYES : COUNCILMEMBERS: Davis, Hume, Detrick, Ly, Suen

NOES: COUNCILMEMBERS: None

ABSTAIN : COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None


**Jason Lindgren, City Clerk
City of Elk Grove, California**