

**RESOLUTION NO. 4131****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE FINDING THAT THE EXPENDITURE BY THE ARROYO GRANDE REDEVELOPMENT AGENCY OF LOW AND MODERATE INCOME HOUSING FUNDS OUTSIDE THE BOUNDARIES OF THE ARROYO GRANDE REDEVELOPMENT PROJECT AREA BENEFITS THE PROJECT AREA**

**WHEREAS**, the Arroyo Grande Redevelopment Agency ("Agency") is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code § 33000 et seq.); and

**WHEREAS**, the Agency and the City Council of the City of Arroyo Grande ("City" or "City Council," as appropriate), in accordance with all applicable law, previously adopted the Redevelopment Plan for the Arroyo Grande Redevelopment Project Area, as amended ("Redevelopment Plan" or "Project Area," as applicable); and

**WHEREAS**, the Agency is obligated under the California Community Redevelopment Law (the "CRL") to expend twenty percent (20%) of all taxes allocated to the Agency pursuant to Health and Safety Code Section 33670 (the Agency's "Housing Funds") for the provision of affordable housing; and

**WHEREAS**, in furtherance of its goals to improve, increase, and preserve the community's supply of affordable housing, the Agency is proposing to purchase a single family home located at 252 South Courtland Street, in the City of Arroyo Grande (the "Property") from the owners thereof in order to avoid a foreclosure, for purposes of the Agency's subsequent conveyance of the Property to an income-eligible household at a restricted sales price; and

**WHEREAS**, the Property is not located in the Project Area; and

**WHEREAS**, the CRL provides that a redevelopment agency may not use its Housing Funds outside of the project area unless it determines that the use will be of benefit to the project; and

**WHEREAS**, staff recommends that the City Council find that the Agency's use of Housing Funds outside of the Project Area is of benefit to the Project Area in that such use will serve to increase, improve, and preserve the community's supply of affordable housing, which is one of the primary goals of redevelopment and of the Redevelopment Plan, and is of benefit to the Project Area; and

**WHEREAS**, all actions required by applicable law to be taken by the City precedent to the adoption of this Resolution have been taken in accordance with applicable law.

**NOW, THEREFORE**, the City Council of the City of Arroyo Grande resolves as follows:

Section 1. The foregoing Recitals are true and correct and are incorporated herein.

Section 2. The City Council hereby finds and determines, in accordance with Health and Safety Code Section 33334.2(g), that the Agency's use of Housing Funds outside the Project Area will be of benefit to the Project Area in that such use will serve to increase, improve, and preserve the community's supply of affordable housing, which is one of the primary goals of redevelopment and of the Redevelopment Plan, and is of benefit to the Project Area.

On motion of Council Member Costello, seconded by Council Member Fellows, and on the following roll call vote, to wit:

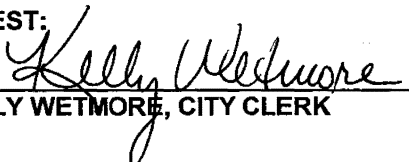
**AYES:** Council Members Costello, Fellows, and Mayor Ferrara

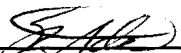
**NOES:** None

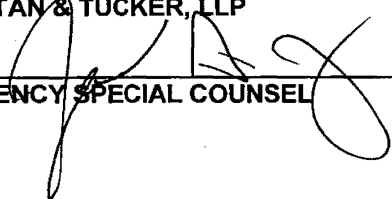
**ABSENT:** Council Members Arnold and Guthrie

the foregoing Resolution was passed and adopted this 23<sup>rd</sup> day of September, 2008.

  
\_\_\_\_\_  
TONY FERRARA, MAYOR

ATTEST:  
  
\_\_\_\_\_  
KELLY WETMORE, CITY CLERK

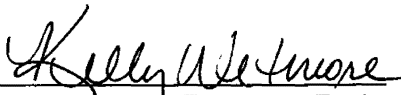
APPROVED AS TO CONTENT:  
  
\_\_\_\_\_  
STEVEN ADAMS, CITY MANAGER

APPROVED AS TO FORM:  
RUTAN & TUCKER, LLP  
  
\_\_\_\_\_  
AGENCY SPECIAL COUNSEL

**OFFICIAL CERTIFICATION**

I, **KELLY WETMORE**, City Clerk of the City of Arroyo Grande, County of San Luis Obispo, State of California, do hereby certify under penalty of perjury, that the attached Resolution No. 4131 is a true, full, and correct copy of said Resolution passed and adopted at a regular meeting of the City Council/Redevelopment Agency of the City of Arroyo Grande on the 23<sup>rd</sup> day of September 2008.

**WITNESS** my hand and the Seal of the City of Arroyo Grande affixed this 24<sup>th</sup> day of September 2008.

  
**KELLY WETMORE, CITY CLERK**