

**City of Yuba City
Staff Report**

Date: December 16, 2008
To: Honorable Chairman and Board of Directors
Presented by: Steven C. Kroeger, Assistant City Manager

Summary

Subject: Approval of a Property Acquisition Schedule established for the purpose of supplying guidelines associated with the purchase of approximately 30 single family dwellings for qualified participants in the Housing Program

Recommendation: Authorize the Executive Director to proceed with the proposed Property Acquisition Schedule illustrated for the purpose of supplying a timeline and process for acquiring property with Low/Mod Housing Funds to provide affordable housing for qualified participants in the Housing Program

Fiscal Impact: \$2 Million for property acquisition, title and escrow fees, property insurance, maintenance, repair and improvements, and property management services from Low/Mod Housing Account 6021-65305 and related accounts

Details

Background: The Redevelopment Agency ("Agency") is required by law to set aside 20% of annual property tax increment funds (Low/Mod Housing Set Aside Funds) to be used for the purposes of increasing, improving, and preserving the community's supply of available low and moderate income housing.

Analysis: The proposed Property Acquisition Schedule was developed by City staff and the Agency. The Schedule is comprised of three phases:

Phase I: Locate 40 homes that meet the City's criteria –

- Price
- Target Area
- Bank owned
- Bank identified utilizing utility billing module for information
- Square Footage
- Bedrooms
- Adequate condition found during initial walkthrough
- Assessor's parcel search/estimated value
- Realtytrac.com search results/history
- If criteria is met, add to list

Phase II: Prepare proposal of homes for Agency review and begin process:

- Identify and contact local listing agent (if applicable)
- Order Appraisal
- Community Development completes building inspection and submits inspection report
- Housing Authority completes walkthrough and submits repair estimate report
- General Services completes walkthrough and submits repair estimate report/based on their and Building's findings
- Purchase calculation sheet is completed to determine purchase offer/based on cost of repairs to deem property inhabitable - Appraised value also considered into the purchase offer dollar amount
- Purchase agreement completed by City Attorney's Office.
- Agreement is accepted/Agreement is not accepted
- If not accepted/Countered (Agency decision)
- Agreement accepted
- Escrow is opened (Term 30 days)

Phase III: Escrow Closes – Property Repairs begin – Housing Authority Participation Required:

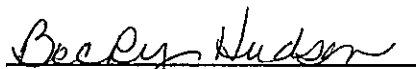
- General Services purchases Property Insurance
- Parks Department retains Stentzel's Landscaping for a period not to exceed 30 days
- General Services, (or other) begins needed repairs
- Housing Authority contract and community service agreement is established
- Repairs completed
- Housing Authority takes over responsibility of property management

Recommendation: Staff requests Council approval of recommended acquisition process.

Attachments:

- Property Acquisition Schedule - Gantt Chart

Prepared By:



Becky Hudson
Customer Service Manager

Submitted By:



Steven R. Jepsen
City Manager

Review By:

Assistant City Manager

Finance Director

City Attorney



By Phone

