File #: 18-0423 CRA, **Version:** 1

TO: **CRA Board of Commissioners**
FROM: **Krista Walker, Contract Manager**
THROUGH: **Renée A. Jadusingh Esq., Executive Director**
DATE: **August 13, 2019**

RENEWAL WEST SETTLER'S DECLARATION OF RESTRICTIVE COVENANTS

Recommended Action:
Approve the renewal of the West Settler's Declaration of Restrictive Covenants and authorize the Chair to execute all related documents.

Background:

The West Settlers Condominiums development contains four residential units that are subject to the restrictive covenants required by the City's Workforce Housing Ordinance, that is, they must remain affordable for a period of at least ten (10) years from the effective date of the agreement. All of the restricted units must be sold to buyers earning no more than 120% of the Area Median Income (AMI). On December 19, 2008, a Certificate of Occupancy (C.O.) was issued for the renovation the West Settler's Building (135 NW 5th Avenue) consisting of four residential condominiums, and two ground-floor 875 SF commercial bays. On August 6, 2009, the Condominium Documents were recorded and the monthly maintenance fees for Fiscal Year 2011/2012 are calculated at $130/month. The Restrictive Covenant Agreement component of the Condominium Documents, contains a ten (10) year affordability restricting as well as transfer/resale restrictions, and includes the City's Workforce Housing Ordinance (LDR Article 4.7). The initial brokerage agreement established the CRA Board approved subsidy based upon an as need needed basis to make up the difference between the buyer's down payment and the banks loan to value ratio. City National Bank is prequalified to lend on the units and has a program that requires a minimum of 5% down payment, 3% of which is required of the homebuyer.

On July 30, 2009 the CRA Board approved the Declaration of Restrictive Covenants for the West Settler's Condominium Association for a ten (10) year period with the option to extend the term for an additional five (5) years. It is recommended that the CRA Board approve the renewal for an additional five (5) year period.

Attachment(s): Exhibit A - West Settler's Declaration of Restrictive Covenants, Exhibit B - Picture of West Settler's Building, Exhibit C - Arial Map

CRA Attorney Review:

Finance Review:
N/A

Funding Source/Financial Impact:
N/A