



Administrative Report

H.7., File # 24-1951

Meeting Date: 1/7/2025

To: MAYOR AND CITY COUNCIL

From: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE THE SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE OF THE RENTAL REHABILITATION PROGRAM LOAN LIEN FOR THE PROPERTY AT 2003 BATAAN ROAD, REDONDO BEACH, CALIFORNIA 90278 PURSUANT TO THE TERMS OF THE CITY'S DEFERRED PAYMENT LOAN PROGRAM

EXECUTIVE SUMMARY

The proposed action provides for the substitution of trustee and full reconveyance of the rental rehabilitation loan lien that is in place on 2003 Bataan Road. As part of the Deferred Payment Loan Program Agreement, the City recorded a lien on the property until the home repair loan was repaid. On December 2, 2024, the City received a cashier's check, drawn by First American Trust, FSB in the amount of \$61,200 to pay the outstanding Deferred Payment Loan note, Instrument No. 03-1088227, in full. Accordingly, it is now time for the City to formally release the property lien.

BACKGROUND

The owner of 2003 Bataan Road, Tia Milton, received a \$44,800 loan on August 13, 2003, for housing rehabilitation work. This loan was made possible through the City's Deferred Payment Loan Program, part of the City's greater Housing Rehabilitation Program that was funded through Redevelopment Agency Low and Moderate Income Housing Funds and Community Development Block Grant (CDBG) Funds. The City also administered a Handyperson Program as well as a smoke detector installation program for elderly or disabled residents, but CDBG funding for these programs was reduced or altogether eliminated beginning in the late 2000s.

The Deferred Payment Loan Program provided low interest home improvement loans for qualifying low-income Redondo Beach homeowners. The loan could be used to pay for roofing repairs, plumbing and electrical work, or bathroom remodeling. The Deferred Payment Loan resulted in a lien on the property that was to be removed from the property title once the loan was paid in full.

On December 4, 2024, First American Title Company, on behalf of Tia Milton, paid the loan in full with a cashier's check in the amount of \$61,200 made out to the City of Redondo Beach, as instructed by the Housing Division of the Community Services Department. The payment represents a full reconveyance of the loan lien in place on 2003 Bataan Road. Following recording of the lien removal by the Los Angeles County Registrar-Recorder/County Clerk, no further action will be required as the loan has been repaid in full.

COORDINATION

The Substitution of Trustee and Full Reconveyance Agreement has been approved as to form by the

City Attorney's Office.

FISCAL IMPACT

The housing rehabilitation loan was provided through the City's Redevelopment Agency Low and Moderate Income Housing Fund, which later became the Housing Successor Agency Fund. The loan repayment will be deposited in the Housing Fund following release of the property lien.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Substitution of Trustee and Full Reconveyance Agreement
- Agmt - Deferred Payment Loan Program Contract, August 13, 2003
- Check - Voided Cashier's Check