

**AGENDA
SPECIAL MEETING
REDONDO BEACH HOUSING AUTHORITY
TUESDAY, AUGUST 3, 2021
REDONDO BEACH COUNCIL CHAMBERS
415 DIAMOND STREET**

CALL MEETING

ROLL CALL

A. APPROVAL OF ORDER OF AGENDA

B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION

C. CONSENT CALENDAR #C1 through #C4

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Authority Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

C1. APPROVAL OF AFFIDAVIT OF POSTING for the Special Housing Authority Meeting of August 3, 2021.

C2. APPROVAL OF MOTION TO READ BY TITLE ONLY and waive further reading of all Ordinances and Resolutions listed on the agenda.

C3. APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD #117, REDONDO BEACH, CALIFORNIA 90278.

- 1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]**
- 2. ESCROW INSTRUCTIONS**

C4. APPROVE THE ACCEPTANCE OF HUD EMERGENCY HOUSING VOUCHERS (EHV) AND THE MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA) FOR EHV REFERRALS FOR THE TERM JULY 1, 2021 THROUGH MARCH 3, 2022.

Contact: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

D. EXCLUDED CONSENT CALENDAR ITEMS

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Commission. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

F. EX PARTE COMMUNICATIONS

This section is intended to allow all officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings.

G. PUBLIC HEARINGS

H. OLD BUSINESS

I. NEW BUSINESS

J. MEMBERS ITEMS AND REFERRALS TO STAFF

K. ADJOURNMENT

The next scheduled meeting of the Redondo Beach Housing Authority is a Regular meeting on Tuesday, September 7, 2021 at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

An Agenda Packet is available 24 hours a day at www.redondo.org under the City Clerk and during City Hall hours. Agenda Packets are also available for review in the Office of the City Clerk.

Any writings or documents provided to a majority of the members of the Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 415 Diamond Street during normal business hours.



Recreation, Transit and
Community Services Department
Housing Authority

1922 Artesia Boulevard
Redondo Beach, California 90278
www.redondo.org

tel: 310 318-0635

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF REDONDO BEACH)

SS

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body	Housing Authority
Posting Type	Special Meeting Agenda
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ City Hall Kiosk ✓ City Clerk's Counter, Door "C"
Meeting Date & Time	August 3, 2021 6:00 p.m. Open Session

As Community Services Director of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

Cameron Harding, Community Services Director

Date: July 28, 2021

MOTION TO READ BY TITLE ONLY

and waive further reading of all

Ordinances and Resolutions listed on the Agenda.

Recommendation – Approve



Administrative Report

Council Action Date: August 3, 2021

To: CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY

From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

Subject: APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD, #117, REDONDO BEACH, CALIFORNIA 90278.

1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]
2. ESCROW INSTRUCTIONS

EXECUTIVE SUMMARY

On February 17, 2004, the City Council adopted the Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for housing for senior citizens. On June 17, 2004, the Planning Commission subsequently approved a 192 unit senior citizen residential condominium project at 2750 Artesia Boulevard, Redondo Beach, CA, also known as "Breakwater". As required by Senior Housing Ordinance 2927-04, a condition of project approval requires that the developer enter into an Affordable Housing Agreement with the City to provide and restrict by deed twelve (12) units as affordable for moderate income households and eight (8) units for low income households for a period of not less than 55 years from the date of construction in accordance with all applicable state and local laws.

A moderate income family is defined as a household where the combined gross incomes of all persons residing in the unit exceeds the adjusted qualifying income limit for low income but does not exceed a maximum of 120% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

A low income family is defined as a household where the combined gross income of all persons residing in the unit does not exceed a maximum of 80% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

This Affordable Housing agreement is necessary due to the current owner's request to sell the moderate income unit located at 2750 Artesia Blvd., #117, Redondo Beach, CA 90278. This agreement will preserve the City's rights in the addendum to the Grant

Deed which includes the preservation of the applicable low/moderate income Housing Covenants and Restrictions. These Covenants and Restrictions also grant the City an option to purchase the unit in the case of an uncured default or upon the Owner's intent to transfer the residence.

BACKGROUND

The City Council adopted Ordinance No. 2927-04 on February 17, 2004 amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance contains an inclusionary housing requirement for ten percent (10%) of the senior housing units to be affordable to low and moderate income households in proportion to the housing needs identified in the Housing Element of the General Plan. Such units must be maintained as affordable units for at least 55 years; the agreement was entered into on January 15, 2008.

Pursuant to State and local requirements, the income restricted unit at 2750 Artesia Blvd., #117 can be sold or rented only to qualified moderate income individuals. Moderate income levels are based on a County-wide formula with income levels determined based on household size and in comparison to county wide median income. The owner of this affordable housing unit made a request to sell their unit and has identified another qualified moderate income buyer. The Affordability Agreement is a recorded document to ensure maintenance of affordability levels. Provisions of the agreement will require housing staff to perform verification of buyer/tenant qualification and annual compliance reporting. The maximum sales price for this unit is \$187,375 and is calculated to be consistent with affordability criteria under State Law.

The Affordable Housing Agreement for the specific property being sold and the related documents include: 1) The covenants imposing restrictions on the property pursuant to the original agreement and providing notice of the restrictions to future purchasers and/or lenders, and 2) The Performance Deed of Trust for the developer and purchasers of this unit, securing the developer's and purchaser's obligations under the agreement to ensure the continued affordability of this unit throughout the term of this Agreement.

COORDINATION

The City Attorney's office has approved the Affordability Housing Agreement and all necessary and related documents as to form.

FISCAL IMPACT

The Affordable Housing Program activities are processed through the City's Housing Authority office. As part of the adopted FY 2021-22 Budget, the City Council approved a fee for service for the City's Inclusionary Housing Programs. The Housing Authority has received a \$75.00 fee for this transaction.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENT

- Affordable Housing Agreement
- Maximum Sales Price Quote

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Michael W. Webb, Esq.

(No Fee per Government Code § 27383)

**AGREEMENT CONTAINING
COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE
[MODERATE INCOME]**

Owner: Johanna Luzietti
Residence Address: 2750 Artesia Boulevard, #117, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 3rd day of August, 2021 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and Johanna Luzietti (the "Owner").

RECITALS

- A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.
- B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of that certain Affordable Housing Agreement Imposing Restrictions on Real Property (the "Affordable Housing Agreement") by and between the City and Anastasi Development Company, LLC, dated January 15, 2008.
- C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

- D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

- a. "Deficiencies" – Section 5.
- b. "Designee" – Section 6.
- c. "Eligible Purchaser" shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.
- d. "Excess Proceeds" – Section 9.
- e. "Moderate Income Affordable Purchase Price" shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development ("HCD"), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term "household size appropriate to the unit" shall mean the number of bedrooms in the unit plus one.
- f. "Moderate Income Senior Citizen Household" shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser's actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.
- g. "Owner" shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

- h. “Residence” – Section 2.
- i. “Restricted Period” shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.
- j. “Sales Price” shall mean the total compensation payable by a purchaser for the Residence.
- k. “Senior Citizen Household” shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a “qualified permanent resident” or a “permitted health care resident” as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.
- l. “Transfer” shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a “Excluded Transfer” for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the “Notice of Excluded Transfer” upon any such Excluded Transfer.

2. DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2750 Artesia Boulevard., #117, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the “Residence”). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

3. OWNER CERTIFICATION

Owner certifies the following:

- a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

- b. Owner shall occupy the Residence as Owner's principal place of residence.

4. OWNER-OCCUPANCY; LEASING OF RESIDENCE

- a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.
- b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the amount needed to pay the monthly mortgage, taxes, insurance and other housing expenses to be paid by Owner for the Residence upon written consent by the City or designee. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.
- c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:
 - i. A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or
 - ii. If the Residence is not owner-occupied, documentation evidencing the requirements of Section 4.b., including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.
- d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

- e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.
- f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

5. MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

6. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent ("Owner's Notice"). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer ("Notice of Excluded Transfer").

Following receipt of the Owner's Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser ("Designee") to purchase the Residence, as provided in Section 8, below.

7. DETERMINATION OF RESALE PRICE

The maximum sales price that the Owner may receive for any type of Transfer of the Residence ("Resale Price") shall be the lowest of the following: (1) the Moderate Income Affordable Purchase Price at the time of resale; or (2) the Increased Base Price (defined below), as adjusted pursuant to Section 7.b., below.

- a. Increased Base Price. The “Increased Base Price” means the purchase price that Owner paid for the Residence, increased by the percentage change in the Area Median Income for Los Angeles County, as published annually by HCD, determined in accordance with HCD published criteria, from the purchase date to the date of notification as indicated in Section 6, above. In the event that such income determination is no longer published, or has not been updated for a period of at least eighteen (18) months, the City or Authority may use or develop such other reasonable method as it may choose to determine the area median income for Los Angeles County.
- b. Adjusted Increased Base Price. The Increased Base Price shall also be adjusted for the “Value of Capital Improvements”. The “Value of Capital Improvements” shall mean the value of substantial structural or permanent fixed improvements which cannot be removed without substantial damage to the Residence or substantial or total loss of value of said improvements. No such valuation shall be made except for improvements: (a) made or installed by or under the direction of the Owner; (b) with an initial cost of One Thousand Dollars (\$1,000) or more; and (c) which can be documented by the Owner to the reasonable satisfaction of the City or Authority. The value of such improvements to be taken into account in calculation of the Increased Base Price shall be the appraised market value of the improvements when considered as additions or fixtures to the Residence (i.e., the amount by which said improvements enhance the market value of the Residence at the time of sale or valuation). The adjustment to the Increased Base Price for such improvements shall be limited to the increase in value, and shall be determined by the City or Authority and the Owner, or in the event of a failure to agree, by an independent residential appraiser selected by the Owner from a list of appraisers established by the City or Authority. The cost of the appraisal shall be borne by the Owner.

8. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the “Option”) on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

- a. Events Precipitating City’s Option to Purchase. The Owner agrees the City’s Option may be exercised upon the occurrence of any of the following:
 - i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

- ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or
 - iii. Owner's Notice of Intent to Transfer the Residence.
- b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.
- c. Payment for Option. Upon the occurrence of an event listed in subsection a. above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.
- d. Escrow. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:
 - i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;
 - ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City

and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;

- iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A. policy or the endorsements shall be paid by the City (or Designee, as the case may be);
 - iv. In the event the City exercises its Option pursuant to Section 8.a.3, the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.1 or Section 8.a.2, the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;
 - v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);
 - vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;
 - vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and
 - viii. Any other terms or conditions mutually agreed to by the parties.
- e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

9. RESTRICTED TRANSFER BY OWNER

- a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.
- b. In the event the City does not exercise its Option pursuant to Section 8, above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.
- c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

10. DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer

has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the City or Authority to or of any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the City or Authority in the exercise of any right, power, or remedy hereunder.

11. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B ("Notice of Sale"). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale. Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

12. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City

or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

13. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

14. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

15. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Residence. This covenant shall run in perpetuity.

16. FORM OF NONDISCRIMINATION AND NONSEGREGATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees,

subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

- b. In leases: “The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased.”
- c. In contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land.”

17. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

18. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority (“Deed of Trust”), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner’s purchase of the Residence, but this Agreement shall be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

19. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

20. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

21. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

22. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

Johanna Luzietti
2750 Artesia Boulevard, #117
Redondo Beach, California 90278

To the City:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Michael W. Webb

To the Authority

The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Director of Community Services
Attention: Housing Supervisor

or such other address that the City, the Authority or Owner may subsequently request in writing.

23. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Sales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

“OWNER”

Date: _____

By: _____
Johanna Luzietti

[remainder of page left intentionally blank]

[signatures continue on the following page]

Accepted and agreed to by the City this 3rd day of August, 2021.

CITY OF REDONDO BEACH, a chartered
municipal corporation

Date: _____

By: _____
William C. Brand
Mayor

APPROVED AS TO FORM:
Michael W. Webb
City Attorney

By: _____
Michael W. Webb

ATTEST:

By: _____
Eleanor Manzano
City Clerk

[Signatures continue on following page]

Accepted and agreed to by the Authority this 3rd day of August, 2021.

HOUSING AUTHORITY OF THE CITY OF
REDONDO BEACH, a public body, corporate
and politic

Date: _____

By: _____
William C. Brand
Chairman

APPROVED AS TO FORM:
Michael W. Webb
General Counsel for Authority

By: _____
Michael W. Webb

ATTEST:

By: _____
Eleanor Manzano
Secretary

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, 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)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, 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)

EXHIBIT "A"
LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-1 THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112

**EXHIBIT B
NOTICE OF SALE**

[BEHIND THIS PAGE]

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the
City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Angelica Zavala, Housing Supervisor

(No Fee per Government Code § 27383)

**REQUEST FOR NOTICE
Under Section 2924b Civil Code**

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 3, 2021 and recorded as Instrument No. _____, in the Official Records of Los Angeles County on _____, 2021, and describing the following real property, located in Los Angeles County, California as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Johanna Luzietti, a Widow as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and Chicago Title Insurance Company, as Trustee, be mailed to:

City of Redondo Beach
The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Director of Community Services
Attention: Housing Supervisor

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered
municipal corporation

HOUSING AUTHORITY OF THE CITY OF
REDONDO BEACH, a public body corporate
and politic

Date: _____

By: _____
William C. Brand
Mayor and Chairman

APPROVED AS TO FORM:
Michael W. Webb
City Attorney and General Counsel for Authority

By: _____
Michael W. Webb

ATTEST:

By: _____
Eleanor Manzano
City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, 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)

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WITNESS my hand and official seal.

Signature: _____ (Seal)

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LEGAL DESCRIPTION

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PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

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PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

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APN: 4082-012-112

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Michael W. Webb, Esq.

(No Fee per Government Code § 27383)

**REQUEST FOR NOTICE
Under Section 2924b Civil Code**

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 3, 2021 and recorded as Instrument No. _____, in the Official Records of Los Angeles County on _____, 2021, and describing the following real property, located in Los Angeles County, California as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Johanna Luzietti, a Widow as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and Chicago Title Insurance Company, as Trustee, be mailed to:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a Chartered
Municipal Corporation

HOUSING AUTHORITY OF THE CITY OF
REDONDO BEACH, a Public Body Corporate
and Politic

Date: _____

By: _____
William C. Brand
Mayor and Chairman

APPROVED AS TO FORM:
Michael W. Webb
City Attorney and General Counsel for Authority

By: _____
Michael W. Webb

ATTEST:

By: _____
Eleanor Manzano
City Clerk and Secretary for Authority

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STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

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WITNESS my hand and official seal.

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APN: 4082-012-112

EXHIBIT C
PERFORMANCE DEED OF TRUST

[BEHIND THIS PAGE]

RECORDING REQUESTED BY:

Housing Authority of the
City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Angelica Zavala, Housing Supervisor

(No Fee per Government Code § 27383)

**PERFORMANCE DEED OF TRUST
(Option to Cure and Purchase Agreement)**

THIS PERFORMANCE DEED OF TRUST (this “Deed of Trust”) dated as of August 3, 2021 is entered into by Johanna Luziotti, a Widow (“Trustor”) whose address is 2750 Artesia Boulevard, #117, Redondo Beach, California 90278 in favor of Chicago Title Company (“Trustee”), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the “City”) whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the “Authority”) whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the “Beneficiary”).

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor’s fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit “A” attached hereto and incorporated herein by this reference.

FOR THE PURPOSE OF SECURING: performance of Trustor’s obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the August 3, 2021 Agreement Containing Covenants, Restrictions and Option to Purchase (“Covenant Agreement”) executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

**TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST,
TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF
THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND
AGREES AS FOLLOWS:**

1. Maintenance of the Property. Trustor will:
 - a. keep the Property in good condition;
 - b. not permit any mechanic's or materialman's lien to arise against the Property;
 - c. comply with all laws having a material effect on the Property; and
 - d. not commit or permit waste on or to the Property.
2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:
 - a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and
 - b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.
3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.
4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by

virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):
 - a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and
 - b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.
6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.
7. Default. Each of the following shall constitute a **"Default"** under this Deed of Trust:
 - a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or
 - b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase, conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily; or
 - c. Trustor defaults under the terms and conditions of the Covenant Agreement.
8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth

herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

9. **Obligation to Inform Beneficiary of Default.** Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.
10. **Remedies Cumulative.** Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.
11. **Trustee.** The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.
13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.
14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.
15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.
16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to

the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

- a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);
- b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);
- c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or
- d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Manager, Joe Hoefgen
Attention: Director of Community Services
Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Supervisor

TO TRUSTOR:

Johanna Luzietti
2750 Artesia Boulevard, #117
Redondo Beach, California 90278

TO TRUSTEE:
Chicago Title Company
500 North Brand Boulevard, Suite 120
Glendale, California 91203
Email: aline@glendaleescrow.com

17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.
18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.
19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.
20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.
21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:
 - a. post-judgment motions;
 - b. contempt proceedings;
 - c. garnishment, levy, and debtor and third party examinations;
 - d. discovery; and
 - e. bankruptcy litigation.

22. General Provisions.

- a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.
- b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.
- c. As used herein, the word "Property" shall mean and include the Property and part thereof.
- d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.
- e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.
- f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

TRUSTOR:

Johanna Luzietti, a Widow

Johanna Luzietti

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____,
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)

EXHIBIT "A"
LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112



Community Services Department
Housing Authority

1922 Artesia Boulevard
Redondo Beach, California 90278
www.redondo.org

tel: 310 318-0635
fax: 310 798-8463

August 3, 2021

Virginia Moreno
Escrow Officer
Infinity Escrow
2501 West 237th Street, #C
Torrance, California 90501

Re: Escrow No. 21-1241VM

Dear Ms. Moreno:

These instructions are submitted by the City of Redondo Beach (the **"City"**) and the Housing Authority of the City of Redondo Beach (the **"Authority"**) in connection with the following transaction.

Anthony Kim (the **"Seller"**) and Johanna Luzietti (the **"Buyer"**) have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated June 17, 2021 relating to the sale of the residential unit located at 2750 Artesia Blvd., #117, Redondo Beach, California 90278. The **"Unit"** is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] dated December 6, 2011 and recorded in the Official Records of Los Angeles County on June 7, 2012, as Instrument No. 20120850860 (the **"Existing Covenants Agreement"**).

The Existing Covenants Agreement places certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations are secured by that certain Performance Deed of Trust dated December 6, 2011 and recorded in the land records of Los Angeles County on June 7, 2012 as Instrument No. 1200850862. The Seller is the trustor, the City is the beneficiary and Lawyers Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the **"2021 Covenants Agreement"**) for recordation against the Unit. The 2021 Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the **"2021 Performance Deed of Trust"**).

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the **"Recording Documents"** shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

I. DOCUMENTS

Enclosed herewith are the following documents that will need to be signed and returned to the City and Authority prior to execution by the City and the Authority.

1. One original of the 2021 Covenants Agreement that has been signed by the Buyer.
2. One original of the 2021 Performance Deed of Trust that has been signed by the Buyer.

The signed and notarized documents are to be returned to the following address:

Angelica Zavala, Housing Supervisor
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

1. The City and the Authority have deposited into escrow one original 2021 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.
2. The Buyer has deposited into escrow one original Performance Deed of Trust, executed in recordable form by the Buyer.
3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority executed in recordable form by the City and the Authority (the **"Request for Notice"**).
4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.
5. You are committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, contact the undersigned immediately.
2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:
 - a. The grant deed conveying fee title to the Unit from the Seller to the Buyer
 - b. The 2021 Covenants Agreement
 - c. The 2021 Performance Deed of Trust
 - d. The Request for Notice
4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) and a copy of these escrow instructions signed by you in the space provided at the conclusion of this letter to indicate your acceptance are to be delivered to:

Angelica Zavala, Housing Supervisor
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278
5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.
6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City or the Authority are entitled to free recording pursuant to Government Code §§ 6103 and 27383:
 - a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.
 - b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.
 - c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very truly yours,

City of Redondo Beach, a chartered municipal corporation

Housing Authority of the City of Redondo Beach, a public body, corporate and politic

By: _____
William C. Brand
Mayor and Chairman

The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed in accordance therewith.

Infinity Escrow

By: _____
Virginia Moreno
Escrow Officer

EXHIBIT "A"
LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112



KEYSER MARSTON ASSOCIATES™
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

May 25, 2021

ADVISORS IN:
Real Estate
Affordable Housing
Economic Development

BERKELEY
A. Jerry Keyser
Debbie M. Kern
David Doezenia
Kevin Feeney

LOS ANGELES
Kathleen H. Head
James A. Rabe
Gregory D. Soo-Hoo
Kevin E. Engstrom
Julie L. Romey
Tim R. Bretz

SAN DIEGO
Paul C. Marra

Anthony Kim
2750 Artesia Boulevard #117
Redondo Beach, California 90278

Re: Maximum Sales Price Request

Dear Mr. Kim:

The City of Redondo Beach Housing Authority (Housing Authority) has engaged Keyser Marston Associates, Inc. (KMA) to provide consulting services related to the affordable housing units located in the Breakwater Village project. The following letter is a response to your request for an assessment of the maximum allowable sales price for the Moderate-Income unit you own at 2750 Artesia Boulevard #117, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], which is dated December 6, 2011 and was recorded on June 7, 2012 by the Los Angeles County Recorder as Instrument No. 2012-0850861. Under the terms and conditions included in Section 7 of the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], the maximum sales price that you may receive for any type of Transfer of your residence ("Resale Price") shall be the lesser of the following:

1. The Moderate Income Affordable Purchase Price at the time of Resale; or
2. The Increased Base Price plus the "Value of Capital Improvements" that have been approved by the City of Redondo Beach, if any.

The Unit Resale Determination Worksheet follows this letter. Based on the calculations included in the Worksheet, the Resale Price is based on the Increased Base Price. As of today's date, the maximum Resale Price is \$187,375.

The Resale Price provided to you will be valid for three months from the date of this letter. Should the Resale Price expire, a new Maximum Sales Price Request must be submitted. In that case a completed application (and fee payment, if applicable) should be submitted to the Housing Authority.

Sincerely,

Keyser Marston Associates, Inc.

A handwritten signature in cursive script, appearing to read "Kathleen Head".

Kathleen Head

UNIT RESALE PRICE DETERMINATION WORKSHEET

Owner's Name	Anthony Kim
--------------	-------------

Development	Breakwater Village
Unit Number	117
Assessor Parcel Number (APN)	4082012112

Income Level	Moderate
Number of Bedrooms	1

The Maximum Resale Price is equal to the Lesser of:

1. The Increased Base Price, and the
2. The Moderate Income Affordable Purchase Price.

Increased Base Price

Current Owner's Purchase Price	\$151,803
Current Owner's Purchase Date (HCD Income 2012)	6/7/12
Area Median Income at Time of Owner's Purchase	\$51,850
Area Median Income at Calculation Date (HCD Income 2021)	\$64,000
Percentage Increase in Area Median Income	23.43%

Increased Base Value	\$187,375
Increase in Value Due to Capital Improvements	\$0

Increased Base Price	\$187,375
-----------------------------	------------------

Moderate Income Affordable Purchase Price	\$324,400
--	------------------

Maximum Resale Price	\$187,375
Calculation is Valid Through:	8/23/21

After this date, if Owner has not entered into a purchase and sale agreement, the sales price will need to be recalculated to take into consideration any changes in the Area Median Income, HOA dues, etc. Please see below for additional information.

Prepared by Keyser Marston Associates, Inc.	Kathleen Head
Date the Calculation is Completed	5/25/21

The Maximum Sales Price is based on the formula included in the Addendum to Grant Deed recorded on the property with the County of Los Angeles. The formula takes into consideration the Area Median Income as determined by the State of California and makes allowances for utilities, HOA dues, taxes, PMI, homeowners insurance, etc. Additionally, calculations are subject to change at any time due to changes in the abovementioned information. Please check with the Housing Authority prior to entering into a purchase and sale agreement.



Administrative Report

Council Action Date: August 3, 2021

To: CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY

From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

Subject: APPROVE THE ACCEPTANCE OF HUD EMERGENCY HOUSING VOUCHERS (EHV) AND THE MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA) FOR EHV REFERRALS FOR THE TERM JULY 1, 2021 THROUGH MARCH 3, 2022.

EXECUTIVE SUMMARY

The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act. Through EHV, HUD is providing 70,000 housing choice vouchers to local Public Housing Authorities (PHAs) in order to assist individuals and families who are (1) homeless, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, (4) recently homeless.

On May 10, 2021, the Department of Housing and Urban Development (HUD) offered the City of Redondo Beach Housing Authority (RBHA) \$419,268 plus ongoing administrative fee funding to house 29 EHV eligible families in Redondo Beach.

One of the requirements of the EHV program is that the Housing Authority enter into a Memorandum of Understanding with a Continuum of Care, to help ensure that the vouchers are being issued fairly and that they are being distributed amongst populations in greatest need. If authorized to accept these vouchers, RBHA will be partnering with the Los Angeles Homeless Services Authority, LAHSA, for program support and family referrals. The EHV Vouchers will be administered under the City's Housing Choice Voucher Program policies and procedures.

BACKGROUND

The American Rescue Plan allowed the Department of Housing and Urban Development (HUD) to allocate additional vouchers to public housing authorities (PHAs) operating in areas of greatest population need. These vouchers, known as the Emergency Housing Vouchers (EHV), are targeted to individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or

human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

HUD has awarded the Redondo Beach Housing Authority \$419,268 to administer 29 Emergency Housing Vouchers. Three months of Housing Assistance Payment (HAP) disbursements will be automatically scheduled beginning July 1, 2021. Future disbursements will be calculated using actual HAP expenses incurred. Additionally, the Housing Authority will receive ongoing administrative fee funding for any eligible administrative expenses related to the administration of the EHV program.

The Redondo Beach Housing Authority will be partnering with the Los Angeles Homeless Services Authority (LAHSA) for referrals of program eligible families and individuals. Apart from referring EHV eligible families to the Housing Authority, LAHSA will assist the family in attaining all documentation the Housing Authority requires to move forward with voucher issuance and will provide supportive services to EHV participants as needed.

The Emergency Housing Vouchers will be administered under the Housing Choice Voucher Program. Families accepted through the EHV program will be subject to the same criminal background and income eligibility screening as families accepted through the waiting list. Additionally, EHV families will be responsible for complying with the same program rules and federal regulations to maintain their housing assistance.

It should be noted that the City Attorney's office is concerned that the effective date of this contract is July 1, 2021, yet, the Housing Authority has yet to receive referrals from LAHSA. Referrals will commence once this contract has been fully executed.

COORDINATION

The Memorandum of Understanding with the Los Angeles Homeless Services Authority was prepared by and approved as to form by the City Attorney's Office.

FISCAL IMPACT

The Housing Authority will receive additional housing assistance funding and administrative fees funding to cover all costs associated with the administration of the Emergency Housing Vouchers.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENT

- Emergency Housing Vouchers Award Letter
- Memorandum of Understanding with LAHSA

May 10, 2021

Joe Hoefgen, Executive Director
Housing Authority Of The City Of Redondo Beach (CA103)

Dear Executive Director:

I am pleased to notify you that your public housing agency (PHA) is eligible for new Emergency Housing Vouchers (EHVs) and funding as authorized by the American Rescue Plan Act of 2021 (Public Law No: 117-2). The American Rescue Plan Act allowed the Department of Housing and Urban Development (HUD) to allocate additional vouchers to PHAs through an allocation formula designed to direct emergency vouchers to the PHAs operating in areas where the EHV's eligible populations have the greatest need while also taking into account PHA capacity and the requirement to ensure geographic diversity, including rural areas. The EHVs are provided to help assist individuals and families who are (1) homeless, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or (4) recently homeless.

The following table provides the details for your agency's EHV award:

Emergency Housing Vouchers Award			
Initial Award Amount	Effective Date	Contract Term	Number of Units
\$419,268	7/1/2021	18	29

The effective date of your EHV award will be July 1, 2021 with the exception of certain fees with an effective date of June 1, 2021 as detailed below. These dates cannot be changed. HUD is providing 12 months of budget authority upfront and will provide additional budget authority as necessary based upon actual PHA needs. Once funding for the award has been fully processed, the FMC will provide your agency with an amended Consolidated Annual Contributions Contract (CACC) that reflects the obligation of funds and monthly disbursements will be scheduled. Three months of HAP disbursements will automatically be scheduled beginning July 1, 2021 equal to 1/12th of the initial award. Future disbursements will be calculated using actual HAP expenses incurred.

Your agency must follow applicable Housing Choice Voucher (HCV) program requirements, when administering EHV, including the regulations at 24 CFR part 982, and the requirements in Notice PIH 2021-15 (HA), referred to hereafter as Implementation Notice.

The following table provides the details of your agency's administrative fees and other eligible fees under this award:

EHV Eligible Fees		
Category	Effective Date	Fee Amount
Preliminary Fee	6/1/2021	<i>\$400 x Unit Allocation Accepted</i>
Placement/Issuance Reporting Fee ¹	After Reporting Received by HUD ¹	<i>\$500 for HAP contracts in place by 11/1/21; \$250 for HAP contracts in place by 1/1/22; \$100 for each voucher leased provided PHA reported the EHV issuance date in PICNG within the qualifying time period.</i>
On-going Administrative Fee ²	7/1/2021	<i>Column A Admin Fee Rate x Unit Allocation Accepted</i>
Service Fee ³	6/1/2021	<i>\$3,500 x Unit Allocation Accepted</i>
Total		

¹ The fee is dependent upon the timeframe in which an EHV family is placed under a HAP contract. \$500 for each EHV family placed under a HAP contract that is in place no later than four months from the award date (11/1/21), \$250 for each EHV family under a HAP contract that is in place no later than six months from the award effective date (1/1/22). An additional \$100 will be provided if the PHA reports or reported the voucher issuance date for a leased voucher in the forthcoming PIC-NG system within 14 days of the later of the voucher issuance date or when PIC-NG system becomes available for reporting. This Issuance Fee can be earned at any time that the voucher is placed under lease, regardless of whether the leased voucher also qualified for the \$500 or \$250 component of the fee. Initially HUD will provide these fees based on information reported in VMS with the exception of the \$100 issuance fee. HUD will collect issuance data in PICNG, once the system is in place later in 2021.

² PHAs will receive the full Column A administrative fee amount for each EHV that is under HAP contract as of the first day of each month and reported in VMS. PHAs will receive an initial advance for the first 3 months as per Notice PIH 2021-15 (HA).

³ One-time fee will be provided for every unit allocation accepted.

Two types of EHV-related funding, preliminary fees and service fees, will be provided in advance in accordance with Notice PIH 2021-15 (HA). The eligible uses of these funds are described in the Notice PIH 2021-15 (HA).

Leasing and expenses for these vouchers should be reported in the Voucher Management System (VMS) under the appropriate fields. The VMS is being updated to reflect fields that will be used to capture this information and additional details will be provided once the fields are available.

This letter has indicated the specific number of vouchers allocated to your PHA in accordance with the allocation formula set forth in Notice PIH 2021-15 (HA). To accept or decline this award, you must respond to HUD by May 24, 2021 using the attached method. While PHAs are encouraged to accept the entire EHV allocation, the PHA may choose to accept a lower number of vouchers than the number offered by HUD in the notification, but not less than the minimum allocation of 25 EHV's, or 15 EHV's, as applicable. Your PHA may also request that if available, HUD provide any additional vouchers that result from reallocation.

Additional information regarding EHV's can be found at: www.hud.gov/EHV, including details on an introductory webinar for PHAs on EHV's that HUD will offer on May 11, 2021 at 4pm ET. Additional support and technical assistance will be offered to support participating communities.

With your direct effort, EHV's will help people experiencing or at risk of homelessness, survivors of domestic violence, and victims of human trafficking.

To accept or decline this award by May 24, 2021, please complete, sign, and email your response EHVawards@hud.gov. If you have any questions regarding the EHV Program, please email EHV@hud.gov.

Sincerely,

A handwritten signature in cursive script that reads "Danielle Bastarache".

Danielle Bastarache
Deputy Assistant Secretary for
Public Housing and Voucher Programs

Attachment

Directions:

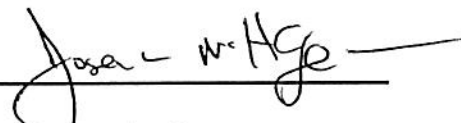
1. Accept or Decline vouchers by responding to PHA options in questions 1–3 below.
2. Sign the document by double clicking the “Public Housing Executive Director” signature line.
3. When completed, save as a word file (do not alter file name).
4. Reply to original email from EHVawards@hud.gov, attach this saved file, and send before May 24, 2021.

Read the PHA options below and indicate the number of EHV vouchers accepted by the PHA.

PHA Options (select a response in the “Choose an item” drop down):

- **Decline, No Vouchers** — PHA does not want any EHV Vouchers.
- **Accept Full Allocation** — PHA wants the full amount as allocated in this letter.
- **Accept Full Allocation, plus more** — PHA wants the full amount as allocated in this letter plus, any additional EHV vouchers that HUD may provide. (HUD expects to have a small amount of additional vouchers to reallocate in early June because of awards declined by other PHAs.)
 - If accepting a full amount **plus more**, up to how many more?
 - **Only if the PHA requests additional EHV**s than awarded in this letter, indicate the maximum number of additional vouchers your PHA would accept.
- **Accept, a Lesser Amount** — PHA wants to accept a lesser amount than allocated in this letter, but not less than the minimum allocation of 25 EHV's or 15 if your initial allocation was less than 25.
 - If accepting a **lesser amount**, how many?
 - **Only if the PHA is accepting a lesser amount** of EHV's than awarded in this letter, indicate the number of vouchers PHA wants to accept, which is less than the award but not less than the applicable minimum allocation.

PHA Accept or Decline Response	
PHA Code	CA103
EHV Award	29
1. PHA options to accept or decline award	Choose an item. <i>Accept</i>
2. If accepting a Full Allocation, plus more , up to how many?	<i>Full Allocation</i>
3. If accepting a Lesser Amount , how many?	

X 
 Public Housing Executive Director

If you have any questions about this process, please email EHV@hud.gov and write “EHV Award Letter Response Assistance” in the subject line.

**MEMORANDUM OF UNDERSTANDING –
EMERGENCY HOUSING VOUCHER PROGRAM**

BETWEEN

**THE CITY OF REDONDO BEACH, HOUSING AUTHORITY
1922 ARTESIA BLVD
REDONDO BEACH, CA 90278**

AND

**LOS ANGELES CONTINUUM OF CARE
LOS ANGELES HOMELESS SERVICES AUTHORITY
707 WILSHIRE BOULEVARD, 10TH FLOOR, LOS ANGELES, CA 90017**

This Memorandum of Understanding (“MOU”) is made and entered into by and between the City of Redondo Beach, Housing Authority (“RBHA”) and the Los Angeles Homeless Services Authority (“LAHSA”) as the Collaborative Applicant for the Los Angeles Continuum of Care (“CoC”) and will commence on the date of the execution of the last signatory.

I. Introduction and Goals:

- a. On behalf and as the lead agency of the CoC, LAHSA, and RBHA commit to administering the Emergency Housing Vouchers (“EHV”) Program (“Program”).
- b. The Program is authorized by the American Rescue Plan (“ARP”) Act of 2021 (Public Law No. 117-2), in accordance with applicable Housing Choice Voucher (“HCV”) program requirements, including the regulations of 24 CFR Part 982 and the EHV operating requirements as set forth in the May 5, 2021, PIH 2021-15 Notice found at <https://www.hud.gov/sites/dfiles/PIH/documents/PIH2021-15.pdf>, incorporated herein by reference.
- c. RBHA and LAHSA have shared goals and standards for success of the Program. The Program will be deemed successful if 3-5 EHV planned monthly referrals are processed beginning from July 1, 2021 through March 3, 2022.
- d. The names and staff positions at RBHA and LAHSA who will serve as the lead Program liaisons are as follows:

Name and title of RBHA staff position:

Angelica Zavala, Housing Supervisor

Name and title of LAHSA (CoC) staff position:

Amy Perkins, Special Projects Advisor

II. Populations eligible for EHV assistance to be referred by CoC:

The following lists the eligible populations for the EHV program:

Eligible Households	
<i>Individuals and families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking or another eligible category as applicable.</i>	
<i>Recently Homeless and for whom providing rental assistance will prevent the individual's or family's homelessness or having high risk of housing instability, including households requesting a VAWA Emergency Transfer.</i>	
<i>Homeless</i>	
<i>At risk of homelessness</i>	

Prioritization will be determined by the Coordinated Entry System.

III. Services Provided to Eligible EHV Households:

- a. Security Deposits: Security deposit fees will be provided by LAHSA to the extent possible.
- b. RBHA, LAHSA, and/or a partnering service provider will further assist individuals and families in the Program by providing the following services:
 - i. LAHSA will assist individuals and families with the completion of rental applications and forms, obtain necessary supporting documentation for referrals and applications for assistance, and assist with addressing or mitigating barriers to leasing.
 - ii. Housing search assistance for eligible individuals and families.
 - iii. Partnering service providers will support RBHA to ensure appointment notifications to eligible individuals and families, and assist eligible households in attending appointments with RBHA.
 - iv. RBHA will establish timeframes for applicants to complete intake appointments for EHV assistance.
 - v. RBHA and partnering service providers will provide counseling on compliance with lease requirements.
 - vi. Partnering service providers will assess and refer individuals and families to benefits and supportive services, where applicable.

IV. RBHA Roles and Responsibilities:

- a. RBHA will coordinate and consult with LAHSA in developing the Program services and assistance to be offered under the EHV services fee.
- b. RBHA will accept direct referrals for eligible individuals, families, and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking through the CoC Coordinated Entry System ("CES") implemented by LAHSA.
- c. RBHA will notify LAHSA if a referral has been rejected.
- d. RBHA will establish a unit with dedicated employees to ensure that the application, certification, voucher issuance, unit inspection, and lease up processes are completed in accordance with the Program operating requirements.

- e. RBHA must receive documentation provided by LAHSA, which verifies that the individual or family meets one of the four eligible categories for EHV assistance.
- f. RBHA, with the support of partnering service providers, will ensure appointment notifications to eligible individuals and families, and assist eligible households in attending appointments with RBHA.
- g. RBHA will establish timeframes for applicants to complete intake appointments for EHV assistance.
- h. RBHA, along with partnering service providers, will provide counseling on compliance with lease requirements.
- i. RBHA will process 3-5 EHV planned monthly referrals from July 1, 2021 through March 3, 2022.
- j. RBHA will comply with the provisions of this MOU.

V. LAHSA Roles and Responsibilities:

- a. LAHSA will coordinate and consult with RBHA in developing the Program services and assistance to be offered under the EHV services fee.
- b. LAHSA will refer eligible individuals, families, and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking, to RBHA via the CES.
- c. LAHSA must provide documentation to RBHA, which verifies that the individual or family meets one of the four eligible categories for EHV assistance.
- d. LAHSA will support eligible applicants in completing applications and obtaining the necessary supporting documentation (self-certifications, birth certificate, social security card, etc.) to be submitted to RBHA.
- e. Information regarding survivors of domestic violence, sexual assault and human trafficking will be maintained and/or shared in compliance with federal, state, and local law to ensure confidentiality.
- f. LAHSA will attend EHV applicant briefings when needed.
- g. LAHSA will assess all applicants, who are referred for EHV assistance, for mainstream benefits and supportive services available to support eligible applicants through their transition.
- h. LAHSA will identify and provide supportive services to EHV participants, as needed. However, participants are not required to participate in supportive services.
- i. LAHSA will send to RBHA 3-5 EHV planned monthly referrals beginning from July 1, 2021 through March 3, 2022.
- j. LAHSA will comply with the provisions of this MOU.

VI. Program Evaluation:

- a. RBHA and LAHSA agree to cooperate with the U.S. Department of Housing and Urban Development ("HUD"), to provide any and all requested data to HUD or a HUD-approved contractor who has been delegated the responsibility of program evaluation, and follow all evaluation protocols established by HUD or the HUD-approved contractor, including possible random assignment procedures. All named agencies will communicate on an on-going and as needed basis to ensure that HUD receives any requested information.

VII. General MOU Provisions:

- a. *Counterparts.* This MOU may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Contract.
- b. *Hold harmless / Indemnity.* Government Code Section 895.2 imposes joint civil liability upon public entities solely by reason of such entities being parties to an agreement, as defined by Government Code Section 895. Pursuant to Government Code Section 895.4 and 895.6, LAHSA and RBHA shall each assume the full liability imposed upon them, or any of their respective officers, agents or employees, by law for injury caused by any negligent or wrongful act or omission occurring during the performance of this Agreement and any sub-agreements entered into pursuant thereto. LAHSA and RBHA indemnify and hold harmless one another for any loss, costs, or expenses that may be imposed upon such other party by virtue of Government Code Section 895.2. The parties' covenants and obligations contained herein shall survive the expiration or termination of this Agreement.
- c. *Insurance.* The Parties represent that they maintain sufficient insurance coverages through self-insurance and third-party coverage to meet their respective indemnity and hold harmless obligations as set forth under this agreement.
- d. *Confidentiality and Data Security.* The Parties acknowledge that all Personally Identifiable Information will be held confidential in accordance with the Federal Privacy Act of 1974, and all applicable Federal and state laws.
- e. *Modification and Termination.* This MOU may be modified by the mutual consent of the Parties by the issuance of a written amendment, signed and dated by the authorized representatives of the Parties. The MOU may be terminated for any reason by either party upon sixty (60) days written notice. Notwithstanding early termination, the term of this MOU shall end on September 30, 2023, unless extended by mutual agreement of the Parties.
- f. *Local Preferences Addendum.* The Local Preferences Addendum is attached hereto as Exhibit A and incorporated herein by this reference.

SIGNATURES FOLLOW

IN WITNESS WHEREOF, the RBHA and LAHSA have caused this MOU to be executed by their duly authorized representatives.

FOR: CITY OF REDONDO BEACH, HOUSING AUTHORITY

By: _____

Print Name: **William C. Brand**

Title: **Chairperson**

Executed on this: _____

APPROVED AS TO FORM FOR CITY OF REDONDO BEACH, HOUSING AUTHORITY

By: _____

Print Name: **Michael W. Webb**

Title: **General Counsel**

Executed on this: _____

ATTESTATION FOR CITY OF REDONDO BEACH, HOUSING AUTHORITY:

By: _____

Print Name: **Eleanor Manzano**

Title: **Secretary**

Executed on this: _____

FOR: LOS ANGELES HOMELESS SERVICES AUTHORITY

By: _____

Print Name: **Heidi Marston**

Title: **Executive Director**

Executed on this: _____

Exhibit A

Local Preferences Addendum

The American Rescue Plan Act allows the U.S. Department of Housing and Urban Development (“HUD”) to waive provisions of any relevant statutes or regulations used to administer the Emergency Housing Voucher (“EHV”) Program (“Program”). Pursuant to the PIH 2021-15 Notice, the Secretary of HUD has waived § 982.204(f) to establish an alternative requirement under which the public housing authority (“PHA”) shall maintain a separate waiting list for EHV referrals/applicants to help expedite the leasing process, both at initial leasing and for any turnover vouchers that may be issued prior to the September 30, 2023 turnover voucher cut-off date.

The HUD Secretary also waived 24 CFR § 982.207(a), and established an alternative requirement that the local preferences established by the PHA for Housing Choice Voucher admissions do not apply to EHV. PHAs, in coordination with the Continuum of Care (“CoC”) and other referral partners, may choose separate local preferences for EHV waiting list. In establishing any local preferences for the EHV waiting list, the preference may not prohibit EHV admissions from any of the four qualifying categories of eligibility. The preference system prioritizes the order in which families on the EHV waiting list are assisted but does not allow the PHA to refuse to accept a referred family that meets one of the four EHV eligibility categories.

For purposes of this Program, the City of Redondo Beach Housing Authority has chosen to give local preference to the EHV waiting list, as follows:

Local Preference

1. Priority Level A - Group 1 – People affected by VAWA/DV - Fleeing DV, Human Trafficking
2. Priority Level A - Group 2 – People enrolled in Rental Assistance programs (RRH, Shallow Subsidy)
 - a. Interim Housing Sites that are closing (PRK/PHK), Long term enrollment in Interim Housing, Household enrolled in homeless programs that offer case management, housing navigation, Housing search & placement or retention services
3. Priority Level B – Recently Homeless
4. Priority Level C – At risk of homelessness - have received or are receiving prevention services