

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

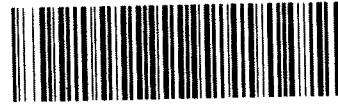
CITY CLERK
CITY OF REDLANDS
P.O. BOX 3005
REDLANDS CA 92373



LARRY WALKER
Auditor/Controller – Recorder

R Regular Mail

Doc#: 2007 – 0703615



Titles:	1	Pages:	8
Fees			0.00
Taxes			0.00
Other			0.00
PAID			\$0.00

FEES NOT REQUIRED
PER GOVERNMENT CODE
SECTION 6103

This document is exempt from the payment of a recording fee
pursuant to Government Code Section 27383

DENSITY BONUS AGREEMENT

This **DENSITY BONUS AGREEMENT** ("Agreement") is entered into as of November 6, 2007, by and between the **CITY OF REDLANDS**, a California municipal corporation ("City"), and **HOUSING PARTNERS I, INCORPORATED**, a California nonprofit public benefit corporation ("Developer").

RECITALS

A. Developer and the Redevelopment Agency of the City of Redlands ("Agency") have entered into that certain Affordable Housing Development Incentive and Restrictive Covenant Agreement dated as of September 5, 2006 (as amended, the "Affordable Housing Agreement") which provides for the development of a seventy-one (71) unit multi-family housing development for seniors (the "Housing Complex" or "Project") located on approximately 3.63 acres of real property in the City of Redlands, California, as more particularly described in the legal description attached hereto as Exhibit A and incorporated herein ("Property"). Capitalized terms used herein but not specifically defined shall have the meanings set forth in the Affordable Housing Agreement.

B. Pursuant to the Affordable Housing Agreement, not less than eleven (11) of the units at the Housing Complex will be made available to Very Low Income Senior Citizens and not less than forty-two (42) of the units at the Housing Complex will be made available to Low Income Senior Citizens, as those terms are defined in Section 2(a) below (collectively, the "Affordable Units").

C. City has approved and granted to Developer the Entitlement for the Project, which comprises all discretionary actions by the City Council and the City's Planning Commission including: Conditional Use Permit No. 889, Zone Change No. 426, General Plan Amendment No. 113, and any and all conditions of approval related thereto, including any amendments, supplements, and modifications thereto as may be approved by the Planning Commission of the City (together, "Entitlement"). The Entitlement is hereby incorporated fully into this Agreement as if set forth at length herein.

D. Separate from the Affordable Housing Agreement and pursuant to the requirements of, and as one of the conditions of approval in, the Entitlement, Developer consented and agreed that City and Developer shall enter into this Agreement, including certain covenants that cause the Property to be subject to certain affordable housing restrictions for a period that will commence on the date of issuance of the first certificate of occupancy for an Affordable Unit at the Project and thereafter continue until the fifty-fifth (55th) anniversary of the issuance of such certificate of occupancy. This Agreement constitutes evidence of the covenants required by the Entitlement.

E. Provided that Developer complies with all of the requirements of California Government Code Section 65915, *et seq.* ("Density Bonus Law"), Developer is eligible to obtain certain incentives as a matter of right and other incentives as a matter of discretionary action by the City.

F. Developer has proposed and the City Council and City Planning Commission have adopted amendments to the City General Plan and the City Zoning Ordinance (collectively, the "City Zoning Laws"); however, the Project is not consistent with the City Zoning Laws, even as revised. In order to obtain the approval of the City and the City Planning Commission, the Project required waivers of certain requirements of the City Zoning Laws, as described in more detail in Section 3 below. According to the Density Bonus Law, City and City Planning Commission have granted such waivers and have approved the Entitlement for the Project, in part on the condition that Developer enter into this Agreement as required by Redlands Municipal Code Section 18.228.070

H. The foregoing recitals are a substantive part of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Minimum Affordability Requirements. The Affordable Housing Agreement and the Entitlement provide that Developer shall develop or cause to be developed a seventy-one (71) unit Housing Complex on the Property. Developer hereby agrees to designate fifty-three (53) units at the Project as Affordable Housing, including not less than eleven (11) Affordable Units to be rented to Very Low Income Senior Citizens ("Very Low Income Units") and not less than forty-two (42) Affordable Units to be rented to Low Income Senior Citizens ("Low Income Units").

a. Definitions.

(i) As used herein, "Very Low Income Senior Citizens" means Senior Citizens earning no more than the income set forth by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50105 for very low income households, adjusted for household size.

(ii) As used herein, "Low Income Senior Citizens" means Senior Citizens earning no more than the income set forth by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50079.5 for lower income households, adjusted for household size.

(iii) As used herein, "Affordable Housing" means, as to the Very Low Income Units, an apartment rented to Very Low Income Senior Citizens at an Affordable Rent, and as to the Low Income Units, an apartment rented to Low Income Senior Citizens at an Affordable Rent.

(iv) As used herein, "Affordable Rent" has the same meaning as set forth in California Health and Safety Code Section 50053.

(v) As used herein, "Senior Citizens" shall have the meaning set forth in California Civil Code Section 51.3, except that "Senior Citizens" shall mean individuals aged 62 or over. "Senior Citizens" includes "Qualified Permanent Residents" as that term is defined in Civil Code Section 51.3. "Permitted Health Care Residents" may reside at the Housing Complex to the extent allowed by California Civil Code Section 51.3.

b. **Affordability CC&Rs.** Developer covenants and agrees to comply with each and every covenant, condition and restriction contained in that certain Declaration of Affordability Covenants, Conditions, and Restrictions executed by Agency and Developer pursuant to the Affordable Housing Agreement and recorded in the Official Records of San Bernardino County ("Affordability CC&Rs"). The Affordability CC&Rs are hereby incorporated and made a part of this Agreement as if set forth at length herein. In the event the Affordability CC&Rs are terminated prior to the expiration of the Term of this Agreement, each and every term and condition set forth in the Affordability CC&Rs shall be enforceable by City and/or Agency through the incorporation of the Affordability CC&Rs into this Agreement.

2. **Density Bonus and Development Incentives.** As set forth in the Entitlement and the Density Bonus Law, Developer petitioned for and was granted the following waivers as part of the Entitlement for the Project:

a. **Density Bonus.** The City Zoning Laws, as amended upon petition by Developer, provide for a maximum density of 0-15 dwelling units per gross acre or 14.52 dwelling units per net acre. The Entitlement allows Developer to develop the Project, which will consist of 18.393 dwelling units per gross acre and 19.559 dwelling units per net acre.

b. **Maximum Building Length.** The City Zoning Laws, as amended upon petition by Developer, provide for a maximum building length of one hundred fifty (150) feet. The Entitlement allows Developer to construct buildings of up to two hundred thirty (230) feet in length.

c. **Required Parking Spaces.** The City Zoning Laws, as amended upon petition by Developer, require one and one half (1.5) parking spaces for each two bedroom apartment, one (1) parking space for each one bedroom apartment, and one half (.5) parking space for each Housing Unit as guest parking. According to this requirement, the Project would be required to include one hundred thirteen (113) parking spaces. The Entitlement allows Developer to provide as few as forty-eight (48) parking spaces at the Project.

3. **No Further Incentives or Waivers.** Developer acknowledges and agrees that the waivers and incentives set forth in Section 3 above fully satisfy any duty City may have under the Redlands Municipal Code, the Density Bonus Law, or any other law or regulation applicable to the Project, to provide any development incentive or to waive any building, zoning, or other requirement. By this Agreement, Developer releases any and all claims Developer may have against City relating to or arising from, in any way, City's obligation to waive requirements of or provide development incentives pursuant to any state, federal, or local law, rule, or regulation applicable to the Project.

4. **Term.** It is intended that the "Term" of this Agreement shall be coterminous with the fifty-five year Affordability Period under the Affordability CC&Rs, including any extensions or renewals thereof. Notwithstanding the foregoing, in no event shall the Term of this Agreement, including the requirement that Developer provide Affordable Housing as set forth herein, extend for less than fifty-five (55) years, commencing upon City's issuance of the first certificate of occupancy for an Affordable Unit at the Project.

5. **Agreement to be Recorded; Priority.** This Agreement shall be recorded, prior to the issuance of building permits for the Project, in the Official Records of San Bernardino County, California as senior, non-subordinate covenants and as an encumbrance running with the land for the full Term of these Restrictions. In no event shall this Agreement be made junior or subordinate to

any deed of trust or other documents providing financing for the construction or operation of the Project, or any other lien or encumbrance whatsoever for the entire 55 year term of this Agreement.

6. Defaults and Remedies. City and Agency shall have the right to specifically enforce each and every covenant, condition, restriction, and provision in this Agreement and Developer hereby agrees and acknowledges that money damages are an inadequate remedy for a default under this Agreement.

7. Non-Liability of City Officials and Employees. No member, official, employee or agent of the City or Agency shall be personally liable to the Developer, or any successor in interest of Developer, in the event of any default or breach by the City or for any amount which may become due to the Developer or its successors, or on any obligations under the terms of this Agreement.

8. Time. Time is of the essence in this Agreement.

9. Notices. Any approval, disapproval, demand, document or other notice ("Notice") which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (iii) mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below, or at any other address as that party may later designate by Notice:

Owner: Housing Partners I, Incorporated
 715 East Brier Drive
 San Bernardino, California 92408
 Attention: _____

City: City of Redlands
 35 Cajon Street
 Redlands, California 92373
 Attention: City Manager

Such addresses may be changed by notice to the other party given in the same manner as provided above.

10. Third Party Beneficiaries. The Agency and its successors and assigns shall be intended third party beneficiaries of this Agreement. Agency shall have full right and ability to enforce each and every covenant and restriction in this Agreement. No other person(s) or entity(ies) shall have any right of action hereunder.

11. Successors and Assigns. This Agreement shall run with the land, and all of the terms, covenants and conditions of this Agreement shall be binding upon Developer and City and the permitted successors and assigns of Developer and City. Whenever the terms "Developer" or "City" are used in this Agreement, such terms shall include any other successors and assigns as herein provided.

12. Partial Invalidity. If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

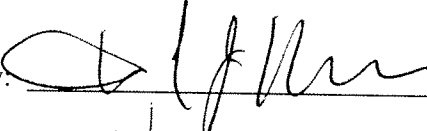
13. **Governing Law.** This Agreement shall be construed in accordance with and be governed by the laws of the State of California. Any references herein to particular statutes or regulations shall be deemed to refer to successor statutes or regulations, or amendments thereto.

14. **Amendment.** This Agreement may not be changed orally, but only by agreement in writing signed by Developer and City.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

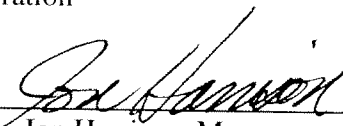
DEVELOPER:

HOUSING PARTNERS I, INCORPORATED, a
California nonprofit public benefit corporation

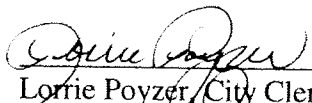
By: 
Its: SEC. TREASURER
Daniel J. Nackerman

CITY:

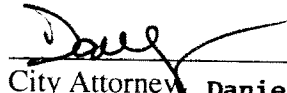
THE CITY OF REDLANDS, a California municipal
corporation

By: 
Jon Harrison, Mayor

ATTEST:


Lorrie Poyzer, City Clerk

APPROVED AS TO FORM:


City Attorney **Daniel J. McHugh**

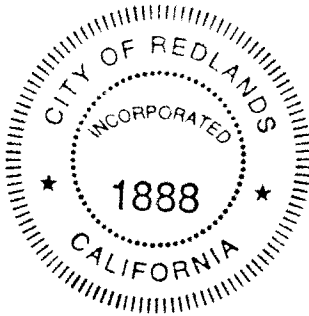
ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS
CITY OF REDLANDS)

By the authority granted under Chapter 4, Article 3, Section 1181, of the California Civil Code, and Chapter 2, Division 3, Section 40814, of the California Government Code, on November 6, 2007, before me, Teresa Ballinger, Assistant City Clerk, on behalf of Lorrie Poyzer, City Clerk of the City of Redlands, California, personally appeared Jon Harrison, Mayor; Daniel J. McHugh, City Attorney and Lorrie Poyzer, City Clerk { X } personally known to me - or - { } proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

LORRIE POYZER, CITY CLERK



By: Teresa Ballinger
Teresa Ballinger, Assistant City Clerk
(909)798-7531

CAPACITY CLAIMED BY SIGNER(S)

{ } **Individual(s) signing for oneself/themselves**

{ } **Corporate Officer(s)**

Title(s) _____

Company _____

{ } **Partner(s)**

Partnership _____

{ } **Attorney-In-Fact**

Principal(s) _____

{ } **Trustee(s)**

Trust _____

{ x } **Other**

Title(s): Mayor, City Attorney and City Clerk

Entity Represented: City of Redlands, a municipal corporation

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW:

Title or Type of Document: Density Bonus Agreement

Date of Document: November 6, 2007

Signer(s) Other Than Named Above: Housing Partners I, Inc., by: Daniel J. Nackerman,
Secretary/Treasurer

STATE OF CALIFORNIA

COUNTY OF San Bernardino

)
) ss.
)

On November 1, 2007, before me, Sylvia Robles, Notary Public,
(Print Name of Notary Public)

personally appeared Daniel J. Nackerman

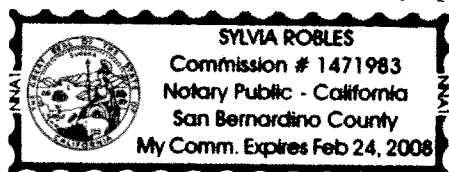


personally known to me

-or-



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.



WITNESS my hand and official seal.

Sylvia Robles
Signature Of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited
☐ Attorney-In-Fact ☐ General
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other: _____

Signer is representing:
Name Of Person(s) Or Entity(ies)

DESCRIPTION OF ATTACHED DOCUMENT

Density Bonus Agreement
Title Or Type Of Document

5

Number Of Pages

Date Of Documents

Jon Harrison, Mayor

Signer(s) Other Than Named Above

EXHIBIT A

DESCRIPTION OF SUBJECT PROPERTY

That real property located in the State of California, County of San Bernardino, City of Redlands, and described as follows:

APN 167-201-68

THOSE PORTIONS OF THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 1 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF TRACT NO. 9876, RECORDED IN MAP BOOK 144, PAGE 84, RECORDS OF SAID COUNTY;

THENCE SOUTH 00° 34' 51" EAST ALONG THE EAST LINE OF SAID TRACT NO. 9876, A DISTANCE OF 500.66 FEET;

THENCE NORTH 89° 28' 48" EAST A DISTANCE OF 299.56 FEET;

THENCE SOUTH 00° 32' 59" EAST A DISTANCE OF 121.00 FEET TO THE NORTH RIGHT-OF-WAY LINE OF LUGONIA AVENUE (37.00 FEET, HALF WIDTH);

THENCE NORTH 89° 28' 48" EAST ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 30.00 FEET TO THE EAST LINE OF WEST ONE-HALF OF THE WEST ONE-HALF OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 22;

THENCE NORTH 00° 32' 59" WEST ALONG SAID EAST LINE, A DISTANCE OF 621.53 FEET TO THE NORTHEAST CORNER OF THE SOUTH ONE-HALF OF THE WEST ONE-HALF OF THE WEST ONE-HALF OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 22;

THENCE SOUTH 89° 30' 09" WEST ALONG THE NORTH LINE OF SAID SOUTH ONE-HALF OF THE WEST ONE-HALF OF THE WEST ONE-HALF OF THE SOUTHEAST ONE QUARTER OF THE NORTHWEST ONE QUARTER OF SECTION 22, A DISTANCE OF 329.83 FEET TO THE POINT OF BEGINNING.