

PLACER COUNTY

REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Rich Colwell, Redevelopment Director *Rich Colwell*
DATE: July 25, 2006
SUBJECT: Adopt a Resolution to Re-Commit up to \$1 Million of Redevelopment Housing Set-Aside Funds to Assist in the Development of Affordable Senior Rental Housing in North Lake Tahoe, Subject to Review of Agency Counsel.

ACTION REQUESTED: Adopt a resolution to re-commit up to \$1 million of Redevelopment Housing Set-Aside Funds to assist in the development of affordable senior rental housing in North Lake Tahoe, subject to review of Agency Counsel.

BACKGROUND: In January 2005, the Board of Supervisors approved the environmental document for the Highland Village development. The planned development is a combination of up to 78 units of affordable senior housing, market rate town homes and small-scale commercial development. In August 2005, your Board authorized a loan commitment of \$1 Million to this development. The site is outside the boundary of the North Lake Tahoe Project Area near Fabian Way and North Lake Blvd. California Redevelopment Law provides for Redevelopment Tax Increment Housing Set-Aside funds to be spent outside the project area upon findings of benefit. This proposed expenditure will benefit the project area, as there is no senior affordable housing in North Lake Tahoe. The total development is estimated to cost \$19 million. A 55-year affordability covenant will be recorded on the property.

The Nahas family is donating the land and has contracted with Pacific West Communities (PWC), an affordable housing developer, to build the senior units. PWC has partnered with the non-profit Central Valley Coalition (CVC) which will apply to the State Department of Housing and Community Development requesting HOME project assistance funds for this project. To be competitive, HOME procedures require that your Board provide an updated resolution of commitment.

FISCAL IMPACT: This action is in support of the CVC HOME application. The final loan agreement will be submitted to your Board after other funding commitments are received. There will be no impact on the County General Fund.

RECOMMENDATION: Adopt a resolution to re-commit up to \$1 million of Redevelopment Housing Set-Aside Funds to assist the development of affordable senior rental housing in North Lake Tahoe, subject to review of Agency Counsel.

cc: Sabrina Thompson, Agency Counsel

**Before the Placer County
Redevelopment Agency Board of Directors
State of California**

In the matter of:

**A RESOLUTION AUTHORIZING
THE COMMITMENT OF UP TO \$1 MILLION
FROM NORTH LAKE TAHOE REDEVELOPMENT
PROJECT AREA HOUSING SET-ASIDE
FUNDS TO ASSIST IN THE DEVELOPMENT
OF SENIOR RENTAL HOUSING IN NORTH LAKE
TAHOE.**

Resol. No:.....

Ord. No:.....

First Reading:.....

**The following Resolution _____ was duly passed by the Redevelopment Agency Board of
Directors of the County of Placer at a regular meeting held July 25, 2006, by the following**

Vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Redevelopment Agency Board

Attest:

Clerk of said Board

BE IT RESOLVED by the Placer County Redevelopment Agency Board of Directors as follows:

WHEREAS, the Highland Village development with up to 78 units of senior housing affordable to very low and low income seniors was approved by the Board of Supervisors in January 2005; and

WHEREAS, the site is outside, but near, the boundary of the North Lake Tahoe Project Area; and

WHEREAS, California Redevelopment Law provides for Redevelopment Tax Increment funds to be spend outside of the project area upon findings of benefit; and

WHEREAS, the project is consistent with the North Lake Tahoe Five Year Implementation Plan and of benefit to the Project Area as no affordable senior rental housing exists in North Lake Tahoe either in or outside the project area, and

WHEREAS, a 55-year affordability covenant will be recorded on the property; and

WHEREAS, these funds are locally generated and are not state or federal subventions.

WHEREAS, the Central Valley Coalition, a Community Housing Development Corporation (CHDO), will submit a 2006 HOME Investment Partnership Application Project Funds application for up to 78 units of affordable senior rental housing in the Highland Village development; and

WHEREAS, a CHDO is an eligible applicant;

WHEREAS, The California Department of Housing and Community Development (hereinafter referred to as the "Department") has issued a Notice of Funding Availability dated June 1, 2006 for the HOME program and is authorized to approve funding allocations which will be made available directly through the US Department of Housing and Urban Development (HUD) to be used for the purposes set forth in Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, the implementing regulations set forth in Title 24 of the Code of Federal Regulations, part 92, and Title 25 of the California Code of Regulations commencing with section 8200.

NOW, THEREFORE, BE IT RESOLVED that the Placer County Redevelopment Agency Board of Directors hereby re-commits up to \$1 million from budgeted North Lake Tahoe Redevelopment Housing Set Aside Funds to assist in the development of affordable senior rental housing in the Highland Village development near Tahoe City.

