

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Richard Colwell, Chief Assistant CEO-Redevelopment Director *Richard Colwell*
DATE: October 23, 2007
SUBJECT: Adopt a Resolution to Accept the Conveyance of Assessor Parcel Numbers 090-122-035, 090-122-036, and 090-122-037 in Kings Beach With a Value of \$525,000, Allocate \$20,000 in North Lake Tahoe Redevelopment Project Area Funds For Closing and Associated Costs, Approve a Revision to the Redevelopment Agency FY 2007-08 Budget in the Amount of \$20,000, and Authorize the Chief Assistant CEO-Redevelopment Director or Designee to Sign All Related Documents Subject to Agency Counsel Review.

ACTION REQUESTED

Adopt a resolution to accept the conveyance of Assessor Parcel Numbers (APN's) 090-122-035, 090-122-036, and 090-122-037 (collectively Property) in Kings Beach with a value of \$525,000, Allocate \$20,000 in North Lake Tahoe Redevelopment Project Area Funds for closing and associated costs, approve a revision to the Redevelopment Agency FY 2007-08 Budget in the amount of \$20,000, and authorize the Chief Assistant CEO-Redevelopment Director or designee to sign all related documents subject to Agency Counsel review.

BACKGROUND

On July 23, 2007, the Redevelopment Agency (Agency) and B.B., LLC (Developer) entered into an Exclusive Negotiating Rights Agreement (ENRA) for the purpose of pursuing a mixed-use development in Kings Beach. The terms to be negotiated in the ENRA included the conveyance of the Property located on Trout Avenue in Kings Beach to the Agency at no cost except closing costs to develop affordable housing. The Property consists of three lots on approximately one-third acre located on Trout Avenue between Bear Street and Coon Street and is currently zoned for residential use.

Agency staff performed its due diligence efforts and evaluated the Property for suitability for affordable housing units. Agency staff obtained a Phase I Environmental Site Assessment and Soils/Hydrology Report that recommended no further environmental action. Agency staff also reviewed the Developer's files regarding survey and lot configuration. Agency staff has determined that the Property is suitable for acceptance.

The Agency intends to use its best efforts to cause affordable housing to be constructed. As consideration for donating the Property to the Agency for no cost, the Developer has requested the Agency's support to pursue credits on the units caused to be constructed by the Agency to meet their housing obligations arising from their proposed mixed-used development located nearby on Salmon Avenue.

Agency staff has contracted with Lynn Barnett & Associates appraisal firm which conducted an appraisal on the Property. The appraiser noted the fair market value of the Property at \$525,000. Agency Board approval of this item would add the property to the Agency's Master Fixed Asset List.

The following are the key terms of the Real Property Conveyance Agreement (attached):

1. B.B., LLC agrees to convey fee simple title to the Property to the Agency by grant deed at no cost – except for closing costs.
2. Agency agrees to use best efforts to develop or cause the Property to be developed for affordable housing.
3. Agency agrees to support B.B., LLC's request to the County to credit affordable housing developed on the Property towards their affordable housing obligation for their proposed mixed-use development in Kings Beach.

FISCAL IMPACT

The Property will be conveyed to the Agency at no land cost except closing costs. Upon acceptance the Property will be removed from the County tax rolls and no taxes will be assessed on the Property until such time as the Agency transfers title to the Property to a private third party. The short-term loss of property tax revenue is the only impact on the General Fund. Annual tax payments for this Property to all taxing agencies are \$1,197. The Agency proposes using \$20,000 in Project Area funds to cover title and escrow fees, the installation of perimeter fencing, and other associated closing costs. There are sufficient funds budgeted in the Agency's FY 2007-08 Budget to cover this transaction.

ENVIRONMENTAL STATUS

This action will enable the Agency to engage in planning and negotiations for a yet to be defined project. As such it does not commit the Agency to a definite course of action and is exempt from environmental review per California Environmental Quality Act Guidelines, Section 15262. Environmental review will be conducted prior to approval of the development. Property acquisition in furtherance of the North Lake Tahoe Project Area Redevelopment Plan is exempt from environmental review per California Environmental Quality Act Guidelines, Section 15180. The proposed action is not a federal undertaking pursuant to National Environmental Policy Act.

RECOMMENDATION

Adopt a resolution to approve the conveyance of the Property in Kings Beach, allocate \$20,000 in Project Area funds for closing and associated costs, and authorize the Chief Assistant CEO-Redevelopment Director or designee to sign all related documents subject to Agency Counsel review.

Attachments: Resolution

Location Map
Budget Revision

**CONTRACT/AGREEMENT
FOR REVIEW ONLY AT
THE CLERK OF THE BOARD**

cc: Karin Schwab, Agency Counsel

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

In the matter of:

Adopt a resolution to accept the conveyance of Assessor Parcel Numbers 090-122-035, 090-122-036, and 090-122-037 in Kings Beach with a value of \$525,000, allocate \$20,000 in North Lake Tahoe Redevelopment Project Area Funds for closing and associated costs, approve a revision to the Redevelopment Agency FY 2007-08 Budget in the amount of \$20,000, and authorize the Chief Assistant CEO-Redevelopment Director or Designee to sign all related documents subject to Agency Counsel review.

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution _____ was duly passed by the Redevelopment Agency Board of the County of Placer at a regular meeting held October 23, 2007 _____,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:
Clerk of said Board

Chair, Agency Board

WHEREAS, the Redevelopment Plan for the North Lake Tahoe Redevelopment Project Area (Redevelopment Plan) was adopted by the Placer County Board of Supervisors on July 16, 1996 by Ordinance No. 4753-B and as subsequently amended from time to time; and

WHEREAS, the Redevelopment Agency of Placer County (Agency) is vested with responsibility pursuant to the Community Redevelopment Law (Part I of Division 24 of the Health and Safety

Code of the State of California) to implement the Redevelopment Plan in the North Lake Tahoe Redevelopment Project Area (Project Area); and

WHEREAS, B.B., LLC and the Agency entered into an Exclusive Negotiating Rights Agreement (ENRA) on July 23, 2007; and

WHEREAS, the ENRA indicated that the Agency and B.B., LLC would negotiate in good faith the transfer of Assessor Parcel Numbers 090-122-035, 090-122-036, and 090-037 (collectively Property) to the Agency at no cost for the land; and

WHEREAS, in consideration of the transfer of the Property to the Agency at no cost, the Agency agrees to use best efforts to develop or cause the Property to be developed for affordable housing; and

WHEREAS, Agency agrees to support B.B. LLC's request to the County to credit affordable housing developed on this Property towards the affordable housing obligation for their proposed mixed-use development in Kings Beach; and

WHEREAS, the transfer of land to the Agency at no cost except closing costs meets the Project Area's redevelopment plan goal to improve and increase the community's supply of low-and moderate-income housing through new construction; and

WHEREAS, the fair market value of the Property is appraised at \$525,000.

WHEREAS, this action will enable the Agency to engage in planning and negotiations for a yet to be defined project. As such it does not commit the Agency to a definite course of action and is exempt from environmental review per California Environmental Quality Act Guidelines, Section 15262. Environmental review will be conducted prior to approval of the development. Property acquisition in furtherance of the Redevelopment Plan is exempt from environmental review per California Environmental Quality Act Guidelines, Section 15180. The proposed action is not a federal undertaking pursuant to National Environmental Policy Act.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the County of Placer that:

1. The conveyance of the Property to the Agency at no cost is approved.
2. The Chief Assistant CEO-Redevelopment Director or designee is hereby authorized to accept, consent, and execute Real Property Conveyance valued at \$525,000 from B.B. LLC and to execute all other pertinent documents subject to Agency Counsel review. This property is added to the Master Fixed Asset List.
3. The Agency shall allocate \$20,000 in Project Area funds toward the closing costs associated with this transaction.

PLACER COUNTY

PAS DOCUMENT NO.

BUDGET REVISION

POST DATE:

DEPT NO	DOC TYPE	Total \$ Amount	TOTAL LINES
85 BR		1,090,000.00	3

Cash Transfer Required
 Reserve Cancellation Required
 Establish Reserve Required

Auditor-Controller
 County Executive
 Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT										APPROPRIATION ADJUSTMENT											
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBI 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBI 3	PROJ.	PROJ. DTL	AMOUNT
85	006		504	100	995041	NOTAH	8988			525,000.00	85	014	504	100	995041	NOTAH	4001				545,000.00
											85	015	504	100	995041	NOTAH	2555				20,000.00
										TOTAL											TOTAL
										525,000.00											565,000.00

REASON FOR REVISION: The Agency is entering into an agreement with BB LLC to accept the conveyance of 3 parcels located in Kings Beach for the development of affordable housing. This land was not budgeted in FY07/08. In addition, the Agency is paying for closing costs related to the conveyance.

Prepared by Caree Roeder Ext 3161

Date: 10/4/07

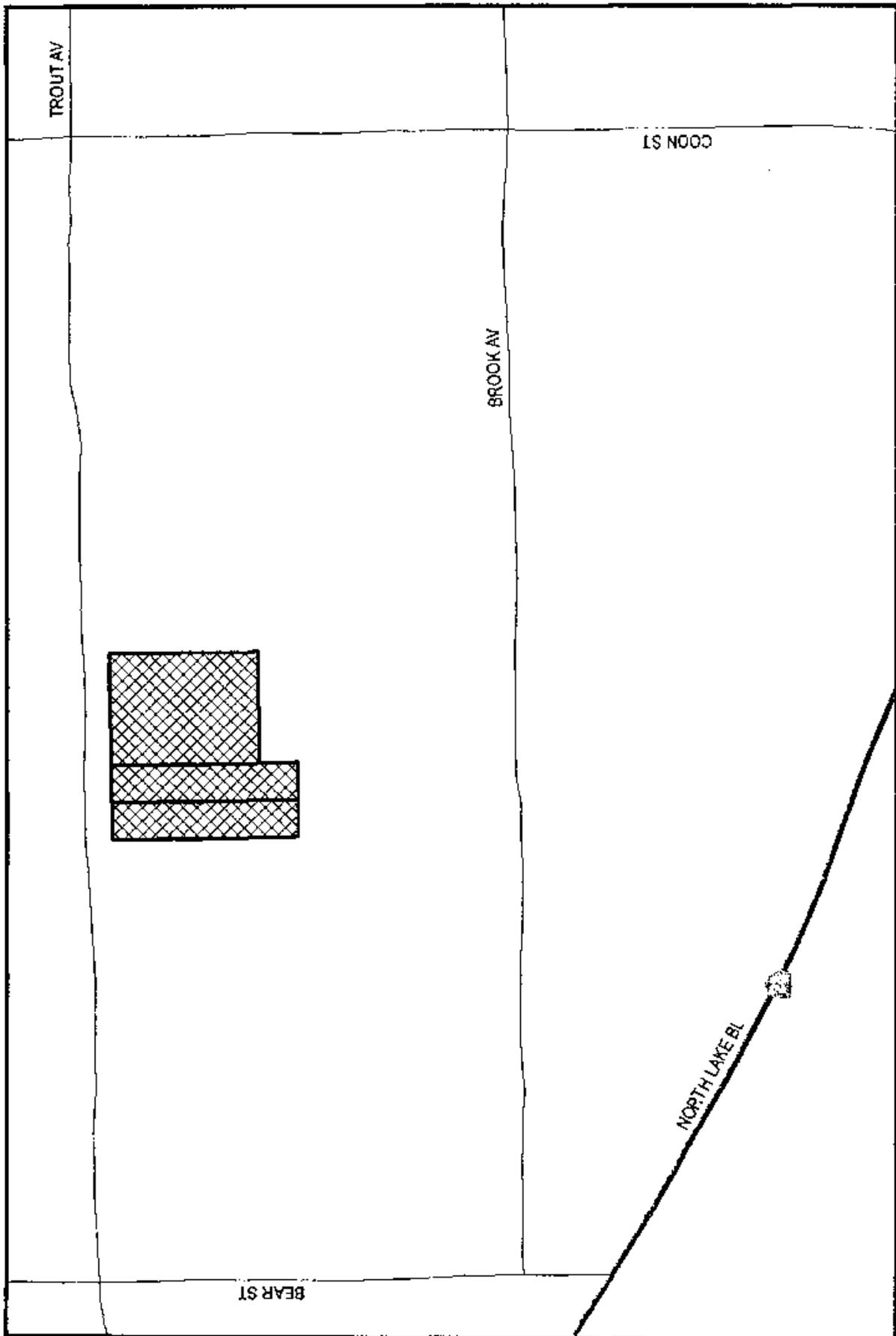
Page: _____

Department Head _____

Board of Supervisors _____

Budget Revision # 08-02 FOR INDIVIDUAL DEPT USE

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Trout Properties