

PLACER COUNTY
REDEVELOPMENT AGENCY
MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Richard Colwell, Chief Assistant CEO – Redevelopment Director *R. E. Colwell*
James LoBue, Deputy Director
DATE: April 21, 2009
SUBJECT: Adopt a Resolution Approving the Report on the Progress of the North Lake Tahoe Redevelopment Project Area Implementation Plan in Accordance with Sections 33490(c) and (d) of California Community Redevelopment Law, Direct Staff to Incorporate Comments Received During the Public Hearing into a Progress Report, and Adopt Findings Pursuant to Section 33334.2 of the California Community Redevelopment Law.

ACTION REQUESTED

Adopt a resolution approving the report on the progress of the North Lake Tahoe Redevelopment Project Area Implementation Plan in accordance with Sections 33490(c) and (d) of the California Community Redevelopment Law (CRL), direct staff to incorporate comments received during the public hearing into a progress report, and adopt findings pursuant to CRL Section 33334.2.

BACKGROUND

CRL Sections 33490(c) and (d) state that at least once within the five-year term of each redevelopment implementation plan, the Placer County Redevelopment Agency (Agency) shall conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the redevelopment plan and the corresponding implementation plan for each redevelopment project area within the jurisdiction and evaluate the progress of the redevelopment project.

The current Five Year Implementation Plan for the North Lake Tahoe Redevelopment Project Area (Implementation Plan) was adopted by your Board on April 4, 2006. Since that time the Agency has engaged in numerous activities to remove blight, improve public facilities, stimulate community revitalization, and support the other goals of the North Lake Tahoe Redevelopment Plan. A few highlights of those activities include:

- Kings Beach Eastern Gateway Project – Agency acquisition, toxic contamination remediation, blighted structures demolition, relocation assistance, fencing, and development planning for six separate adjacent properties in the eastern gateway area of Kings Beach
- Swiss Mart – Agency acquisition, toxic contamination remediation, blighted structures demolition, fencing, and development planning for the Kings Beach Swiss Mart site

- Completion of a comprehensive market analysis and report entitled “Economic and Redevelopment Strategies for Kings Beach and Tahoe City”
- Ferrari Family/North Tahoe Partners Project – technical support and pre-development financing assistance for a designated Community Enhancement Program mixed-use project in Kings Beach
- BB, LLC Mixed-Use Development – technical support, Exclusive Negotiating Rights Agreement, and pre-development loan for a designated Community Enhancement Program mixed-use project in Kings Beach
- Domus Kings Beach Housing Now – technical support, Agency acquisition of four real properties, Exclusive Negotiating Rights Agreement, pre-development loan, and successful application for a \$3.3 million State Infill Infrastructure Grant for a designated Community Enhancement Program scattered sites affordable housing project
- Kings Beach Commercial Core Improvement Project – substantial technical and financing support for major roadway, water quality improvement facilities, public parking, and associated improvements for the Kings Beach Commercial Core Improvement Project
- Public Parking Lots – completion of the new Jackpine (Tahoe City) and Minnow (Kings Beach) public parking lots; property acquisition and initial planning for future Salmon and Deer-Rainbow public parking lots
- Tahoe City Public Facilities – financing assistance for the Tahoe City Heritage Plaza, sewer pump station installation, and Transit Center
- Financing of an affordable First Time Homebuyer Loan
- Gateway Signs – completed installation of the Kings Beach Gateway Monument Sign and completed design and permitting for two Tahoe City Gateway Monument Signs

A more complete description of the Agency’s activities and programs since adoption of the Implementation Plan is provided as an attachment.

Section 33334.2 of CRL provides that the Agency may use its tax increment housing set-aside funds outside of a project area if a finding is made by your Board that such use will be of benefit to the project area. The North Lake Tahoe Redevelopment Project Area (Project Area) is located within the jurisdiction of the Tahoe Regional Planning Agency (TRPA). New housing development in this Project Area has proven to be difficult because of extensive environmental protection measures and TRPA’s additional discretionary review. The production of affordable housing in the region has been noted in numerous studies as critically important to the community, such as in the previously mentioned EPS study and TRPA’s reports on Pathway 2007. The analysis has concluded that new workforce and affordable housing sited throughout the North Tahoe area would benefit each community in the area. It is therefore recommended that findings of benefit be approved to allow the use of redevelopment tax increment housing set-aside funds outside of the North Lake Tahoe Redevelopment Project Area.

Public Review

A public notice for this hearing was posted on March 20, 2009 in four locations within the Project Area. The public hearing notice was also published in the Sierra Sun for four consecutive weeks beginning March 25, 2009. In addition, the attached report was distributed and discussed

at the April 9, 2009 North Tahoe Regional Advisory Committee. Comments received at that meeting will be presented at your Board meeting.

ENVIRONMENTAL

The proposed administrative actions do not constitute projects and are exempt from environmental review under the California Environmental Quality Act per Guidelines Section 15378(b)(3).

FISCAL IMPACT

These are administrative actions. There is no impact to the Agency budget. The actions do not approve any specific projects, programs, or expenditures.

RECOMMENDATION

Adopt a resolution approving the report on the progress of the North Lake Tahoe Redevelopment Project Area Implementation Plan in accordance with CRL Section 33490(c) and (d), direct staff to incorporate comments received during the public hearing into a progress report, and adopt findings pursuant to CRL Section 33334.2.

Attachments:

Resolution

Report on North Lake Tahoe Redevelopment Project Area Five Year Implementation Plan

cc: Karin Schawb, Agency Counsel

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

In the matter of:

Approval of the report on the progress of the North Lake Tahoe Redevelopment Project Area Implementation Plan in accordance with Sections 33490(c) and (d) of the California Community Redevelopment Law, direct staff to incorporate comments received during the public hearing into a progress report, and adopt findings pursuant to Section 33334.2 of the California Community Redevelopment Law.

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 _____, 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 (Project Area) 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, California Community Redevelopment Law Section 33000 et seq. as set out in Section 33490 requires redevelopment agencies to adopt implementation plans which include the goals of the redevelopment plans, the proposed programs, projects, and expenditures for the next five years and demonstrate how implementation of the proposed programs and projects would alleviate blighting conditions in the project areas. The implementation plans shall also include the redevelopment agencies' information regarding the affordable housing programs and specify targeted income, housing production, and replacement housing requirements.

WHEREAS, the North Lake Tahoe Redevelopment Project Area Five Year Implementation Plan (Implementation Plan) was adopted on April 4, 2006 and covers the period from 2006 to 2011;

WHEREAS, California Community Redevelopment Law Section 33334.2 requires that not less than twenty percent (20%) of all taxes that are allocated to the Redevelopment Agency (Agency) from the Project Area be used by the Agency for the purposes of increasing, improving, and preserving the community's supply of housing available at an affordable cost to persons and families that are very low-, low-, or moderate-income;

WHEREAS, California Community Redevelopment Law Sections 33490(c) and (d) require the Agency to conduct a public hearing and hear public testimony for the purpose of reviewing the Redevelopment Plan goals and the Five Year Implementation Plan to evaluate the progress in the Project Area;

WHEREAS, California Community Redevelopment Law Section 33334.2 provides that the Agency may use its housing funds outside of the Project Area if a finding is made by the Agency and Agency Board that such use will be of benefit to the Project Area; and

WHEREAS, the Agency has conducted a duly noticed public hearing regarding the foregoing matters.

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

1. Signify completion of the public hearing on the progress of the Project Area and Implementation Plan in accordance with California Community Redevelopment Law Sections 33490(c) and (d).
2. Direct staff to incorporate comments received during the public hearing into a progress report.
3. Approve the finding that the use of tax increment revenue allocated from the Project Area for the purpose of increasing, improving, and preserving the community's supply of housing affordable to persons and families that are very low-, low- or moderate-income by funding projects located outside of the Project Area, but within other portions of the County's jurisdiction, will be of benefit to the Project Area and such allocation is hereby approved.
4. This resolution shall become effective immediately upon adoption.

**NORTH LAKE TAHOE REDEVELOPMENT PROJECT AREA
 FIVE YEAR IMPLEMENTATION PLAN UPDATE ON PROJECT AREA PROGRAMS, PROJECTS, AND
 EXPENDITURES
 APRIL 2006 THROUGH APRIL 2009**

| HOUSING PROGRAM | | |
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| PROGRAM OR PROJECT | DESCRIPTION | STATUS |
| Goal: Create New Low - and Moderate-Income Housing | Promote new moderate- income housing construction and work with developers by providing gap financing to construct new affordable rental or ownership units, rehabilitating or reconstructing existing developments, and preserving existing affordable units that are otherwise threatened. Due to the high demand for lower paying service and tourism related jobs in the Lake Tahoe region, the Agency's goal is to use this program to address the substantial need for employee housing. Supporting affordable senior housing is also a priority. The Agency will also participate in land acquisition, land-cost write down, development recruitment, and credit enhancements or other financing mechanism. | |
| <u>Kings Beach Housing Assistance Fund</u> | On April 4, 2006, the Board of Supervisors approved a resolution authorizing the transfer of a portion of the Kings Beach Housing Assistance Fund to the Redevelopment Agency for purposes of developing affordable housing in Kings Beach. | To date, the majority of funds transferred to the Agency were used to fund the purchase the Brook Avenue, Lots 17/18 in Kings Beach. The Agency is holding the property for a future housing development project. |
| <u>Brook Lot 17/18, Kings Beach</u> | On June 13, 2006, the Agency was authorized to purchase lots 17 and 18 on Brook Avenue in Kings Beach. | Complete. The site was purchased for \$260,000. The Agency utilized funds from the Kings Beach Housing Assistance Fund to purchase the site. The site is being contemplated for development of two affordable housing units to be used to satisfy replacement housing obligations generated from the demolition of two housing units at 8790 North Lake Boulevard, Kings Beach in 2008. |
| <u>Highlands Village</u> | The Agency Board committed \$1,000,000 to assist in the development of the Highlands Village development, which was proposed to provide 43 affordable senior units in the Tahoe City/Dollar Hill area. In addition, the Agency Board adopted a resolution on August 7, 2007 to apply for funding up to \$4,000,000 in HOME Investment Partnership funds for the development. | On August 7, 2007, the Agency Board authorized re-commitment of the \$1,000,000 for the Highlands Village project contingent upon the Highlands Village Development receiving HOME Investment Partnership support. The development did not receive support from the HOME Investment Partnership program due to extreme competition throughout the State for these funds. |

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| <u>Relocation Guidelines</u> | Guidelines that establish staff procedures for evaluating individuals and business eligibility for relocation payments and assistance. | On November 27, 2007, the Agency Board adopted new relocation guidelines to assist Agency staff in evaluating individual and business eligibility for relocation payments and assistance. The relocation guidelines are based largely upon State of California Relocation Law. |
| <u>Exclusive Right to Negotiate Agreement - Domus Development, LLC</u> | On July 23, 2007, the Agency Board authorized entering into an Exclusive Right to Negotiate Agreement with Domus Development, LLC to explore the construction of affordable housing in Kings Beach on Agency owned or controlled land. At this same meeting, the Agency Board also authorized a predevelopment loan in the amount of \$1,136,500 to assist with costs such as architectural, engineering, etc. to explore development on such sites. | Ongoing. Domus Development, LLC has submitted project applications for development of affordable units in Kings Beach to the Placer County Planning Department and the Tahoe Regional Planning Agency. |
| <u>Acquisition of 325, 348, 385 Deer Street, 265 Fox Street, and 200 Chipmunk Street in Kings Beach.</u> | Acquired 325, 348, and 385 Deer Street for \$1,400,000. Acquired 265 Fox Street for \$880,000 and acquired 200 Chipmunk Street, for \$1,690,000. | Complete. The Agency Board approved the acquisition of the sites on February 26, 2008 and escrow closed on the transactions March 31, 2008. Domus Development's property management division manages the units on behalf of the Agency and the Exclusive Right to Negotiate Agreement entered into on July 23, 2007 with Domus Development was amended to include these parcels. Currently, Domus Development has submitted applications to Placer County and the Tahoe Regional Planning Agency to demolish and rebuild structures on these sites to create 74 new affordable rental housing units, after relocating eligible residents. |
| <u>State of California Infill Infrastructure Grant Program</u> | Ratification of submittal of an application to the State of California Department of Housing & Community Development for up to \$3,314,400 in funds from the Infill Infrastructure Grant Program to support infrastructure improvement in Kings Beach in support of the construction of new affordable housing units by Domus Development, LLC. | The Agency was awarded \$3,314,400 from the State of California Housing & Community Development Department for infrastructure improvements to support Domus Development, LLC affordable housing in Kings Beach. The Agency is anticipating signing the grant agreement in February 2009. |
| <u>Community Development Block Grant (CDBG) General Allocation Application</u> | Applied for a CDBG General Allocation Grant and committed \$1,025,000 in Redevelopment Housing | The CDBG General Allocation Application did not receive funding for this project due to the high |

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| | Funds as leveraged support. The CDBG General Allocation Application was in support of the Highlands Village Development and Redevelopment Housing Leveraged Funds were in support of the Highlands Village Development as well. | volume of applications and competitiveness for these funds. The commitment of Redevelopment Agency housing funds was contingent upon receipt of the CDBG General Allocation funds. |
| Goal: Maintain Affordable Housing | The Agency's housing rehabilitation program provides low-interest loans of up to \$150,000 to correct health and safety hazards, increase energy conservation, and extend the useful life of an owner-occupied or affordable rental home. Examples include correcting plumbing, electrical, or roof problems, room additions, insulation, and replacing inefficient appliances. This program extends the useful life of the affordable units occupied by low- and moderate-income households and improves the quality of the neighborhoods. The Agency will continue to actively pursue State and federal grant funds to leverage the housing set-aside from tax increment. | |
| <u>Housing Rehabilitation Loan Program</u> | Increased total loan limit to \$150,000 for redevelopment housing set-aside funds and \$175,000 for Community Development block Grant funded housing rehabilitation projects. | On March 25, 2008, the Board of Supervisors adopted revisions to the Community Development Block Grant Program Income Reuse Plan to increase the housing rehabilitation loan program loan limit to \$175,000 to assist the rehabilitation of low-income homes. |
| Goal: Partnering for Mixed-Use Development | The Agency will assist in the development of mixed-use complexes to create affordable housing opportunities. | |
| <u>Chapter 15 Catalyst Projects</u> | The Agency is investing resources toward the adoption of a redevelopment plan under TRPA's Code of Ordinances, Chapter 15. As part of this process, the Agency anticipates allocating funds toward new mixed-use development, which will support affordable housing opportunities in the North Lake Tahoe Project Area. | Ongoing. Agency staff is continuing to work with Tahoe Regional Planning Agency staff to pursue a Chapter 15 Code of Ordinances amendment for the North Lake Tahoe Redevelopment Project Area. Staff is working with several private developers on Tahoe Regional Planning Agency Community Enhancement Projects which are expected to have an affordable housing component as well. |
| Goal: Providing Developer Incentives for Moderate Income Housing Production | The Agency will continue to offer developer incentives for the provision of moderate-income housing. This program offers a wide variety of services including technical assistance, planning, studies, environmental review, financing of environmental costs, or development fee replacement loan assistance. | |
| <u>Study</u> | Affordable Housing Development Incentive Study | Complete. On January 8, 2008, The Board of Supervisors accepted the State of California Housing & Community Development Department, Planning and Technical Assistance Grant which |

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| | | funded the Affordable Housing Development Incentive Study. This Study was also presented to Placer County's affordable housing task force. |
| Goal: Overseeing County Employee Housing Requirements | The Agency will continue to assist the County's Planning Department with housing expertise and drafting of the employee housing ordinance as well as implementation of employee housing requirements established on new developments by the County's General Plan requirements. The agency will contribute resources toward administration and monitoring of the employee-housing program as well as to other affordable housing units located within the County. | |
| <u>Martis Valley Employee Housing Requirements</u> | Agency staff provides support to Placer County Planning Department to implement employee housing requirements. | Ongoing staff support to developers meeting the County's affordable housing obligations. Staff provides technical assistance and long term monitoring of affordable housing projects on behalf of the County. |
| <u>Housing Element Update</u> | Every five years, the County is required to update its housing element pursuant to California Law. | The Agency provided staff support for the 2008 Housing Element Plan Update. The revised final Housing Element is awaiting approval from the State of California Housing & Community Development Department. |
| Goal: Supporting Homeownership | The homeownership program currently makes loans available to qualified homebuyers up to \$150,000 in order to purchase a home. These loans act as assistance financing to make mortgage payments more affordable. Single family detached homes, town homes and condominiums are eligible purchases under this program. | |
| <u>Homebuyer Assistance Program</u> | On April 3, 2007, the Agency received its Board approval to submit an application for \$600,000 to the State of California Department of Housing and Community Development for funding under the Cal HOME Program to assist with first time homebuyer loans. | The Agency was successful in its application to CAL Home and received \$600,000 to support loans for homebuyer assistance up to \$36,650 for each loan. As of the writing of this report, the Agency has made one homebuyer assistance loans with these funds. The loan was not in the North Lake Tahoe area. |
| <u>HOME Investment Funds</u> | Grant funds from the State of California, Housing | Ongoing. On October 21, 2008, the County applied |

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| | & Community Development Department which support first time homebuyer and housing rehabilitation programs in the unincorporated County of Placer. | for \$800,000 in HOME funds to be used to support existing first time homebuyer and housing rehabilitation programs. The County was awarded the \$800,000 grant. Staff is currently awaiting agreements and documentation from the State Housing and Community Development Department to memorialize the grant award. |
| <u>Homebuyer Assistance Program - Redevelopment Agency Funds</u> | Provide up to \$150,000 in Redevelopment Agency funds to assist with the purchase of an affordable home. | One applicant was assisted who purchased a moderate income home in the Kings Beach area. The total loan amount was \$150,000 and a 55 year affordability covenant was recorded on the property. |

COMMERCIAL DEVELOPMENT AND PUBLIC INFRASTRUCTURE PROGRAM

| PROGRAM OR PROJECT | DESCRIPTION | STATUS |
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| Goal: Improving Public Infrastructure | The Agency will continue to focus on the design and construction of streets, public parking lots and streetscape improvements, public gathering places, sewer and storm drain improvements, repair and undergrounding of utilities, enhanced transportation and traffic facilities, and a gateway identity or sign project. The Agency anticipates investing approximately \$10 million for these types of activities. | |
| <u>Kings Beach Commercial Core Improvement Project</u> | The Placer County Department of Public Works is the lead agency for the Kings Beach Commercial Core Improvement Project. This project is a critical enhancement to the overall appearance of the commercial core area of Kings Beach which is adjacent to Lake Tahoe along State Highway 28 from Chipmunk Street to State Highway 267. Pedestrian and bicyclist safety will be enhanced and water quality facilities will be upgraded. Sidewalks, curbs and gutters, bicycle lanes, and crosswalks; landscaping and lighting; reconfigured roadway and intersections and installation of traffic signals or roundabouts; on-street parking and / or off-street parking lots; and upgrade the drainage system to improve storm water quality, are proposed. The Agency is anticipating providing up to \$11 million for the core project, which includes up to \$4 million in Agency funding for public parking lots to support the project. | Ongoing. The Agency is awaiting settlement of litigation of the project. The project is at the thirty percent design phase and the Environmental Impact Report / Environmental Impact Statement was certified by Placer County and the Tahoe Regional Planning Agency. |
| <u>Storm Water Management Manual Model (SWMMM)</u> | On March 25, 2008, the Agency Board authorized execution of an Memorandum of Understanding with the Placer County Department of Public Works to pay for a Storm Water Management Manual Model to facilitate water quality design efforts for the Kings Beach watershed improvement projects. | Study complete. The study information will be used to design and implement future water quality improvement projects. |
| Goal: Providing Public Parking Lots | The Agency will continue ongoing acquisition of sites either by purchase or long-term ground lease for the development of public parking lots to mitigate the lack of available parking spaces, which | |

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| | serve the commercial core corridors. They Agency's parking program includes site acquisition/control, site clearing, demolition or abatement, planning, design, and construction. | |
| <u>Jackpine Street Public Parking Lot</u> | The Agency will design and construct an approximate 40-space, no charge, public parking lot. | Construction was completed October 2006 on the Jackpine Street public parking lot in Tahoe City which provides 40, no charge, public parking spaces as well as lighting, landscaping, and signage. |
| <u>Chapter 10, Vehicles and Traffic, Article 10.12 parking.</u> | On March 6, 2007, Chapter 10, Article 10.12 of the Placer County Vehicles and Traffic Code for Parking was amended to impose limitation on parking on Agency owned or operated public parking lots located at 8445 Brook Avenue in Kings Beach and 250 Jackpine Street in Tahoe City. No parking allowed from 10:00 pm to 7:00 am. | Complete. |
| <u>Deer / Rainbow Public Parking Lot</u> | On July 23, 2007, the Agency Board authorized the purchase of Assessor Parcel Number 090-074-002 (Lots 3, 4, 5, 6, 7, 8, and 9) located at the intersection of Rainbow Avenue and Deer Street in Kings Beach for \$510,000. | Acquisition and lot split complete. Design phase currently underway. Construction anticipated 2009-2010. The planned project includes free public parking as well as extensive water quality and landscaping improvements. |
| <u>Marina Public Parking Structure</u> | The design and construction of an approximate 130-135 space elevated public parking structure adjoining the Tahoe City marina. | On July 25, 2006, the Agency Board authorized acquisition of an exclusive land easement from Michael Schwarz in the amount of \$300,000 to provide access into the planned Marina Public Parking Structure. Acquisition was completed shortly after board approval. However, on August 28, 2007, the Agency Board authorized termination of the Marina parking lot dedication agreement with Tahoe Yacht Harbor, LLC to provide for a reversion of the property back to the LLC as the public parking structure did not proceed. Funds previously authorized for this project were transferred to other higher community priority projects. The Tahoe Yacht Harbor, LLC exercised the reversion clause and the property has reverted back to their ownership. The marina expansion is currently proceeding forward without public assistance. |
| <u>Minnow and Salmon Avenue Public Parking lots</u> | The Agency will design and construct up to 50, no | Construction was completed October 2007 on the |

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| | charge, public parking spaces on these two lots. | <p>Minnow Avenue public parking lot which provides 20, no charge, public parking spaces as well as landscaping, lighting, signage and permeable pavement.</p> <p>Construction of the Salmon Avenue parking lot has been delayed. On July 23, 2007, the Agency entered into an Exclusive Right to Negotiate Agreement with BB, LLC to explore opportunities to develop the site in exchange for dedicated public parking spaces as part of a larger mixed-use redevelopment project.</p> |
| Goal: Planning and Designing Community Development Projects | The Agency will continue to support planning efforts including design guidelines, master planning, environmental testing, environmental compliance, development preparation and other specific studies | as needed to enhance the Tahoe community. |
| <u>Tahoe Regional Planning Agency (TRPA) Regional Plan Update – Pathway 2007</u> | TRPA's 20-year regional plan was due to be updated by 2007. The regional plan requires coordination between various public agencies to share resources and expertise while inviting public participation. The majority of the Project Area lies within the Tahoe Basin. The regional plan will guide land use decisions in the Tahoe Basin. | Ongoing. The Agency allocated \$50,000 in funds toward planning activities associated with the regional plan update as it pertains to the project area. Staff will continue to participate in the regional plan update process over the Implementation Plan period. |
| <u>Land Use and Market Study</u> | In November 2005, the Agency commissioned a consultant team to conduct a land use and market study for the Project Area that will help guide Agency investment in development projects over the Implementation Plan period and beyond. This study will analyze how to attract additional investment in the Project Area and ensure long term viability of assisted projects. | Completed. The study identified inadequate visitor accommodations / conference facilities, dysfunctional housing market, economic stagnation, and sprawling, unattractive land use patterns. It also gave recommendations on community revitalization projects and targeted likely redevelopment sites. |
| <u>Amendment of TRPA Code of Ordinances – Chapter 15</u> | The TRPA Code of Ordinances prescribes a separate process to adopt a redevelopment plan that is recognized under its code. The Agency is working with TRPA to apply this process within the Project Area to provide for redevelopment and improved guidelines for future developments that will be both fiscally feasible and environmentally sensitive. | Ongoing. The Agency is working with Planning to develop a plan that will recognize the North Lake Tahoe Redevelopment Project Area under TRPA's code. Continued resources will be devoted to this process over the new Implementation Plan period. The Agency is currently working on an updated blight study and related analysis to begin the process of Chapter 15 for Placer County. |

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| Goal: Funding Commercial Property Owner Improvements | The Commercial Program assists businesses (either new or existing) with programs and services such as business improvement loans or grants, supports non-profit organizations in business marketing and outreach through Main Street programs, supports the promotion of new and continuing private sector investment, building improvements, seismic improvements, graffiti abatement, business assistance services, business façade loans, and renovations of existing buildings. The Agency will continue to support and expand these key business community partnerships. | |
| <u>Tahoe City Downtown Association</u> | The Tahoe City Downtown Association is a business association supporting business retention, recruitment, and outreach efforts to increase the vitality of the Tahoe City business district. | Ongoing. On October 21, 2008, the Agency Board approved a \$65,000 contract to support business retention and outreach efforts as well as outreach efforts in support of the establishment of a business improvement district. Since 2006, the Agency has allocated \$190,000 to the Tahoe City Downtown Association. |
| <u>North Tahoe Business Association</u> | The North Tahoe Business Association is a business association supporting business retention, recruitment, and outreach efforts to increase the vitality of the Kings Beach business district. | Ongoing. On October 21, 2008, the Agency Board approved a \$65,000 contract to support business retention and outreach efforts promoted by the North Tahoe Business Association. The Business Association supports Kings Beach commercial businesses. Since 2006, the Agency has allocated \$190,000 to the North Tahoe Business Association. |
| <u>Business Improvement Loan Guidelines</u> | Business Improvement Loan Program promotes commercial redevelopment in the North Lake Tahoe, North Auburn, and Sunset Industrial Redevelopment Project Areas. This program currently consists of two loan programs: the Commercial Rehabilitation Loan Program and the Façade Loan Program which provide loans to commercial property owners and tenants to improve the physical appearance of their property. | On January 27, 2009 the Agency Board approved a revisions to the business improvement loan guidelines increasing the loan limits for the Forgivable Façade Program to \$30,000 and the Business Improvement Loan Program to \$150,000. |
| Goal: Partnering for New Development | To enhance the economic viability of the Project Area and eliminate blighting influences, the Agency will participate in land assembly, contaminated site clean up, building demolition and abatement, site clearing, environmental documentation, and project gap financing. | |
| <u>Exclusive Right to Negotiate Agreement – Ferrari Family</u> | On July 25, 2006, the Agency Board authorized execution of an Exclusive Right to Negotiate Agreement with Ferrari Corporation and authorized \$200,000 in funds to reimbursement Ferrari Corporation for predevelopment expenditures. | All funds have been drawn down and the agreement has expired. The proposed mixed use development project received Community Enhancement Program designation by the Tahoe Regional Planning Agency and continues through the planning process. |

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| <u>8797 North Lake Boulevard, Kings Beach, CA</u> | On October 24, 2006, the Agency Board authorized the purchase of 8797 North Lake Boulevard, located at the corner of Highway 28 and Chipmunk Street, in Kings Beach for \$520,000. | Acquisition complete. Buildings demolished. Site remediation is continuing with the removal of three additional waste oil tanks, and removal of 2,000 cubic yards of contaminated dirt. Groundwater well monitoring will continue under the oversight of the Lahontan Regional Water Quality Board. The Agency is proceeding to issue a Request for Development Proposals for multiple sites owned by the Agency in the Eastern Gateway area of Kings Beach. |
| <u>Brockway parcels, Kings Beach, CA</u> | On January 9, 2007, the Agency Board authorized purchase of Assessor Parcel Number 090-370-006, located on Highway 28 and Chipmunk Street in Kings Beach for \$178,500. On April 4, 2006, the Agency Board approved purchasing Assessor Parcel Number 090-370-005 for \$75,000. | Acquisitions complete. The Agency is proceeding to issue a Request for Development Proposals for multiple sites owned by the Agency in the Eastern Gateway area of Kings Beach. |
| <u>8776-8784 North Lake Boulevard, Kings Beach, CA</u> | On April 3, 2007, the Agency Board authorized purchased of 8776-8784 North Lake Boulevard for \$850,000. | Acquisition complete. Buildings demolished. Continuing site remediation activities. The Agency is proceeding to issue a Request for Development Proposals for multiple sites owned by the Agency in the Eastern Gateway area of Kings Beach. |
| <u>8788-8790 North Lake Boulevard, Kings Beach, CA</u> | The Agency Board authorized purchase of 8788-8790 North Lake Boulevard, Kings Beach, CA for \$850,000 plus closing costs on October 23, 2007. | Complete. The Site was acquired, tenants relocated and buildings demolished. The Site was fenced in the later part of 2008. Agency staff will be working with a design consultant to determine a few site schematics and then proceed to issue a Request for Proposals to the development community. |
| <u>8798 North Lake Boulevard, Kings Beach, CA</u> | On October 21, 2008, the Agency Board authorized the purchase of 8798 North Lake Boulevard, Kings Beach for \$425,000. The site is located on the lake side of State Highway 28 and Chipmunk Street. | Acquisition complete. The Agency is continuing to manage the property which has occupied units. The Agency is proceeding to issue a Request for Development Proposals for multiple sites owned by the Agency in the Eastern Gateway area of Kings Beach. |
| <u>8796 North Lake Boulevard, Kings Beach, CA</u> | On October 21, 2008, the Agency Board authorized the purchase of 8796 North Lake Boulevard, Kings Beach for \$795,000. The site is located on the lake side of State Highway 28 and Chipmunk Street. | Acquisition complete. The Agency is continuing to manage the property which has occupied units. The Agency is proceeding to issue a Request for Development Proposals for multiple sites owned by the Agency in the Eastern Gateway area of Kings Beach. |

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| <u>Exclusive Right to Negotiate Agreement – BB, LLC</u> | On July 23, 2007, the Agency Board authorized the execution of an Exclusive Right to Negotiate Agreement with BB, LLC for exclusive rights to explore a development on the Agency owned Salmon Avenue Lot and surrounding property. | Expired. The Exclusive Right to Negotiate Agreement with BB, LLC expired in July 2008. The Agency continues to support the redevelopment efforts of BB, LLC. The project is currently undergoing design and environmental review. |
| <u>Predevelopment Loan, BB, LLC</u> | On June 10, 2008, the Agency Board approved a \$500,000 predevelopment loan to BB, LLC to support predevelopment expense such as engineering, architectural, geotechnical, and surveying studies that support the redevelopment of properties fronting along State Highway 28 between Fox Street and Coon Street in Kings Beach. | Ongoing. The Developer is continuing to work with Placer County and Tahoe Regional Planning Agency staff on design plans and environmental review for the redevelopment of the portion of Kings Beach located along State Highway 28 between Fox Street and Coon Street. |
| <u>Tahoe Regional Planning Agency Community Enhancement Projects (CEP)</u> | On October 23, 2007 and November 27, 2007, the Board approved resolutions in support of CEP applications for BB, LLC, Domus Development, LLC, Ferrari Family Resort, and Kings Beach Resort, LLC. | On-going. The Agency continues to work with CEP developers to support efforts to redevelop multiple sites in Kings Beach. The Tahoe Regional Planning Agency Governing Board endorsed all of Kings Beach Community Enhancement Project applications on February 28, 2008. |
| Goal: Assisting the Development of Public Facilities | The Agency will assist in the planning and potentially provide infrastructure financial support for the proposed construction of a new County Tahoe government center and will consider assisting the demolition of abandoned government buildings where removal would create enhanced view sheds. | |
| <u>Heritage Plaza</u> | On October 24, 2006, the Agency Board authorized a \$15,000 contribution of redevelopment funds to the Tahoe City Public Utility District for the design and construction of Heritage Plaza located near Watson basin on the lake side of Highway 28 in Tahoe City. | Project Complete. |
| <u>Tahoe City Sewer Pump Station</u> | On January 1, 2007, the Agency Board authorized a \$150,000 contribution to the Tahoe City Public Utility District for a sewer pump station located in the Tahoe City Marina. | Project Complete. |
| <u>Kings Beach Monument Signs</u> | On January 1, 2008, the Agency Board approved the plans and specifications for the Kings Beach Monument Sign and authorized advertising for bids. | A contract was awarded by the Agency Board to Burdick Excavating, Inc. Installation of the sign is substantially complete. |
| <u>Tahoe City Monument Sign</u> | On October 21, 2008, the Agency Board approved | Design work is complete and the Agency will |

| | | |
|----------------------------------|---|--|
| | the design plans and specifications of the Tahoe City Gateway Monument Signs and authorized advertising of bids. The project proposes the construction of two monument signs at main entries to Tahoe City. | advertise for construction bids Spring 2009. |
| <u>Tahoe City Transit Center</u> | On December 9, 2008, the Agency Board approved an Interagency Agreement with the Placer County Department of Public Works in the amount of \$500,000 toward the design and construction of the Tahoe City Transit Center. | Construction is estimated to begin the Summer 2009, pending finalization of funding allocations. |

GENERAL ADMINISTRATIVE PROGRAM

| PROGRAM OR PROJECT | DESCRIPTION | STATUS |
|-----------------------------|--|---|
| ANNUAL BUDGET | California Health & Safety Code Section 33606 requires that the Agency adopt an annual budget. The budget includes the proposed expenditures of the Agency, the proposed indebtedness to be incurred by the Agency, the anticipated revenues of the Agency, the work program and goals of the Agency, and an examination of the previous year's achievements. | Proposed workplan & Preliminary Budget ➤ FY2006/2007 – June 13, 2006 FY2007/2008 – June 26, 2007 FY2008/2009 - June 24, 2008 Final Budget approved by Redevelopment Agency Board ➤ FY2007/2008 – September 18, 2007 FY2008/2009 – September 23, 2008 |
| STATEMENT OF INDEBTEDNESS | The report discusses the Agency's indebtedness and shows the eligibility of the Agency to receive tax increment (Article XVI, Section 16 of the California Constitution and Health and Safety Code Section 33670). | The Agency files an annual Statement of Indebtedness with the County Auditor by October 1 st of each year. |
| ANNUAL REPORTS | The State of California requires the Agency to prepare an annual report within six months of the end of each fiscal year (Health and Safety Code Section 33080.1). The annual report consists of an independent auditors report covering the prior fiscal year, a description of activities affecting housing and displacement, a blight progress report, the annual report to the State Controller, a loan report, and a property report. | Annual reports were approved by the Redevelopment Agency Board ➤ December 19, 2006 December 11, 2007 December 9, 2008. |
| REDEVELOPMENT BOND ISSUANCE | Health and Safety Code, Section 33640 provides for the authority for the Agency to issue bonds. | The Agency Board on April 4, 2006, approved proceeding forward with a feasibility determination to issue redevelopment bonds for the Agency's three project areas. The three project areas (North Lake Tahoe, North Auburn, and Sunset Industrial) generated \$25,150,000 in 2006 redevelopment bond proceeds split between the Agency's housing and commercial programs. |

**Gross Tax Increment Revenues
 North Lake Tahoe Redevelopment Project Area
 Projection of Tax Increment Revenues to Actual Achievement
 FY 2006-2011**

| FISCAL YEAR (\$'000s OMITTED) | PROJECTED GROSS TAX INCREMENT REVENUES | ACTUAL GROSS TAX INCREMENT REVENUES | PROJECTED HOUSING SET-ASIDE FUNDS | ACTUAL HOUSING SET ASIDE FUNDS | PROJECTED PASS THROUGH PAYMENTS | ACTUAL PASS THROUGH PAYMENTS | PROJECTED NON-HOUSING FUNDS | ACTUAL NON-HOUSING FUNDS |
|--------------------------------------|---|--|--|---------------------------------------|--|-------------------------------------|------------------------------------|---------------------------------|
| 2006/2007 | \$4,751 | \$5,578 | \$950 | \$1,122 | \$1,173 | \$1,216 | \$2,628 | \$3,240 |
| 2007/2008 | \$5,179 | \$6,312 | \$1,037 | \$1,271 | \$1,278 | \$1,534 | \$2,864 | \$3,507 |
| 2008/2009* | \$5,697 | n/a | \$1,140 | n/a | \$1,406 | n/a | \$3,151 | n/a |
| 2009/2010 | \$5,810 | n/a | \$1,162 | n/a | \$1,434 | n/a | \$3,214 | n/a |
| 2010/2011 | \$5,927 | n/a | \$1,186 | n/a | \$1,463 | n/a | \$3,278 | n/a |
| Total | \$27,364 | | \$5,475 | | \$6,754 | | \$15,135 | |

* In the fiscal year 2008/2009, the Redevelopment Agency is required to make a Educational Revenue Augmentation Fund (ERAF) payment in the amount of \$407,229.64 for the North Lake Tahoe Redevelopment Project Area.

