

**PLACER COUNTY**  
**REDEVELOPMENT AGENCY**

**MEMORANDUM**

**TO:** Honorable Members of the Redevelopment Agency Board  
**FROM:** Richard Colwell, Chief Assistant CEO-Redevelopment Director  
James LoBue, Deputy Director  
*RSColwell*  
**DATE:** June 9, 2009  
**SUBJECT:** Adopt a Resolution Authorizing the First Amendment to the \$500,000 Pre-Development Loan Agreement with BB, LLC and Authorize the Chief Assistant CEO-Redevelopment Director or Designee to Execute all Related Documents.

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**ACTION REQUESTED**

Adopt a resolution authorizing the first amendment to the \$500,000 pre-development loan agreement with BB, LLC and authorize the Chief Assistant CEO-Redevelopment Director or designee to execute all related documents.

**BACKGROUND**

On June 10, 2008, your Board authorized a \$500,000 pre-development loan to BB, LLC (Developer) to provide financing to cover a portion of the anticipated pre-development cost such as design, environmental review, and permit processing for the mixed-use Kings Beach Town Center Project (Project).

To date, the Developer has drawn down \$165,184.65 in pre-development funds to cover planning, design, permitting and environmental costs. The Developer has submitted his Project application for approval to Placer County and the Tahoe Regional Planning Agency (TRPA). An environmental consultant interview process has taken place, and we anticipate finalizing the environmental consultant contract in the next couple of weeks.

This first amendment to the pre-development loan proposes amending the disbursement procedures to allow the following services and charges to be paid directly by the Redevelopment Agency (Agency) at Developer's request:

- Tahoe Regional Planning Agency fees and deposits;
- consultant expenses related to the EIR/EIS study for the Project;
- Placer County fees and processing charges for the Project; and
- architecture and engineering services related to the design and development of the Project.

Currently, the Agency requires the Developer to front all costs and reimburses the Developer for the costs incurred. The proposed amendment will not change the amount or terms of the loan

and will not change the scope of work or the categories of allowed expenditures, but will assist with Developer's pre-development cash flow budget. All other terms and conditions of the original pre-development loan agreement will remain in full force and effect.

**FISCAL IMPACT**

This action will not change the amount of the loan or authorized Agency expenditures. The Agency has budgeted sufficient funds to cover the on-going obligation of the pre-development loan. There is no impact on the County General Fund.

**ENVIRONMENTAL STATUS**

The proposed action is a loan of Agency funds and does not commit the Agency to a definite course of action with respect to a "project" as defined by the California Environmental Quality Act (CEQA). Therefore, this action is exempt from environmental review under CEQA per Guidelines Section 15262. National Environmental Policy Act (NEPA) does not apply to the proposed action as federal funds are not anticipated. The Project itself will undergo separate environmental review in compliance with CEQA and NEPA as part of the formal application process with TRPA and the County.

**RECOMMENDATION**

Adopt a resolution authorizing the first amendment to the \$500,000 pre-development loan agreement with BB, LLC and authorize the Chief Assistant CEO-Redevelopment Director or designee to execute all related documents.

Attachments: Resolution  
Pre-development Loan Agreement Amendment  
Pre-development Loan Agreement – AGREEMENT FOR REVIEW ONLY AT  
THE CLERK OF THE BOARD

cc: Karin Schwab, Agency Counsel

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

In the matter of:

Authorizing the first amendment to the \$500,000 pre-development loan agreement with BB, LLC and authorizing the Chief Assistant CEO-Redevelopment Director or designee to execute all related documents

Resol. No:.....

Ord. No:.....

First Reading: .....

The following Resolution was duly passed by the Redevelopment Agency of Placer County Board 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

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WHEREAS, by Ordinance No. 4753-B adopted on July 16, 1996, the Board of Supervisors of the County of Placer adopted the Redevelopment Plan for the North Lake Tahoe Redevelopment Project Area (Project Area);

WHEREAS, the Redevelopment Agency of the County of Placer (Agency) is vested with responsibility pursuant to the California Community Redevelopment Law (Part I of Division 24 of the Health and Safety Code of the State of California) to implement the North Tahoe Redevelopment Plan (Redevelopment Plan);

WHEREAS, BB, LLC (Developer) owns certain real property (Property) which is located within the Project Area;

WHEREAS, Developer seeks to develop the Property (Project) consistent with the Redevelopment Plan and the Tahoe Regional Planning Agency (TRPA) Community Enhancement Program;

WHEREAS, Agency desires to assist Developer with the pre-development costs associated with the development of the Property;

WHEREAS, on June 12, 2008, the Agency executed a pre-development loan agreement with Developer in an amount not to exceed \$500,000 for the design and processing costs associated with the redevelopment of the Property;

WHEREAS, the Agency and Developer desire to amend the pre-development loan agreement to allow the Tahoe Regional Planning Agency, consultant expenses related to the EIR/EIS study, Placer County fees and processing charges, and architecture and engineering services related to the development of the Property to be paid directly by the Agency; and

WHEREAS, this administrative action is a loan of Agency funds and does not commit the Agency to a definite course of action with respect to a "project" as defined by the California Environmental Quality Act (CEQA) and, as such, is exempt from environmental review under CEQA per Guidelines Section 15262. National Environmental Policy Act (NEPA) does not apply to the proposed action as federal funds are not anticipated. The Project itself will undergo separate environmental review in compliance with CEQA and NEPA as part of the formal application process with TRPA and the County.

NOW, THEREFORE, BE IT RESOLVED, that the Agency Board authorizes the first amendment to the \$500,000 pre-development loan with Developer for the Project and authorizes the Chief Assistant CEO-Redevelopment Director or designee to execute all related documents.

## AMENDMENT NO. 1 TO PREDEVELOPMENT LOAN AGREEMENT

This Amendment Number One to Predevelopment Loan Agreement (this "Amendment") is entered into effective as of \_\_\_\_\_, 2009 ("Effective Date") by and between the Redevelopment Agency of the County of Placer, a public body, corporate and politic (the "Agency") and B.B., LLC, a California limited liability company ("Borrower"). Borrower and Agency are hereinafter collectively referred to as the "Parties." Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Predevelopment Loan Agreement (defined below).

WHEREAS, the Parties entered into that certain Predevelopment Loan Agreement dated as of June 12, 2008 (the "Agreement") addressing Borrower's development of a mixed use office, commercial and retail center in Kings Beach, California (the "Project") as more particularly described in the Agreement;

WHEREAS, the Parties desire to amend the Agreement to modify the disbursement procedures.

NOW THEREFORE, in consideration of the mutual covenants of the Parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows.

1. Section 1.5 of the Agreement is amended to include the following language:

The following services and costs directly related to the Project will be directly paid by the Agency at Borrower's request:

- A. Tahoe Regional Planning Agency fees and processing charges and deposits
- B. Consultant expenses related to the EIR/EIS study
- C. Placer County fees and processing charges and deposits
- D. Architecture and engineering services related to the design and development of Project

Agency direct payment will follow Agency receipt of invoices or other documentation of charges directly related to Project and allowable under Agreement. The documentation shall include information on the project name or code, amount of charges, description of services performed or types of charges, dates of services or charges, and indication from Borrower that the services were performed or charges legitimately levied.

2. All other provisions of the Agreement shall remain unchanged and in full force and effect.

3. This Amendment may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have executed this Amendment as of the date first written above.

**AGENCY:**

**REDEVELOPMENT AGENCY OF THE  
COUNTY OF PLACER, a public body  
corporate and politic**

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**By: Richard E. Colwell  
Chief Assistant CEO-Redevelopment  
Director**

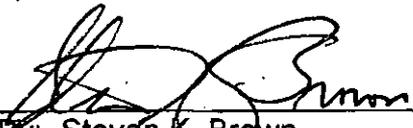
**APPROVED AS TO FORM**

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**By:**  
**Agency Counsel**

**BORROWER:**

**BB, LLC, a California limited liability company**



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**By: Steven K. Brown  
Managing Member**