

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Thomas Miller, Director
James LoBue, Deputy Director *James J. LoBue*
DATE: August 10, 2010
SUBJECT: Option Agreement with Quartz Ridge Family Apartments, L.P. for the Redevelopment Agency Property at 360 Silver Bend Way, Auburn

ACTION REQUESTED

Adopt a resolution authorizing the Director or designee to execute an Option Agreement with Quartz Ridge Family Apartments, L.P. (Developer) for the Redevelopment Agency-owned property at 360 Silver Bend Way, Auburn.

BACKGROUND

On November 17, 2009, your Board approved an Exclusive Negotiating Rights Agreement with USA Properties Fund, Inc. for the 6.2 acre Redevelopment Agency-owned site at 360 Silver Bend Way in the Bowman area and in the North Auburn Redevelopment Project Area. USA Properties Fund, Inc. has subsequently formed Quartz Ridge Family Apartments, L.P., a California limited partnership (Developer), and the Developer for the Quartz Ridge Family Apartments Project (Project) has since applied to the County for modification of the entitlement approvals for the Project. The Project is currently named Miner's Ridge Family Apartments but the Developer proposes to change the name to Quartz Ridge Family Apartments after the permits process has been completed. On July 13, 2010, your Board approved a predevelopment loan for this Project to allow the Developer and Redevelopment Agency (Agency) to perform additional due diligence to determine if the site will likely be competitive for financing application opportunities. In order to apply for HOME project funding from the State of California, Department of Housing and Community Development, the Developer needs to demonstrate site control which would be accomplished by execution of the Option Agreement. The Option will also allow the Agency to hold the property exclusively for Developer until December 31, 2012. If Developer does not perform the tasks required to make the property ready for development by that time the Agency can terminate the agreement and make the property available to others.

FISCAL IMPACT

This is an administrative action and there will be no impact to Agency or County General Funds.

ENVIRONMENTAL STATUS

The action requested in this item is an activity taken in furtherance of the Redevelopment Plan for the North Auburn Redevelopment Project Area, for which an environmental impact report was prepared and certified pursuant to the California Environmental Quality Act (CEQA). Therefore, no further environmental review is required for these actions (CEQA Guidelines Section 15180).

In addition, the development project has undergone all environmental review required by the County and in compliance with CEQA. An addendum to the subsequent mitigated negative declaration was prepared for this Project by the County pursuant to CEQA and was certified as document PMUP 2010029 by the Planning Commission on May 13, 2010.

Attachments: Resolution
Option Agreement

cc: Karin Schwab, Agency Counsel

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

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

In the matter of:

Authorizing the Director or designee to execute an Option Agreement with Quartz Ridge Family Apartments, L.P., to acquire the Redevelopment Agency property at 360 Silver Bend Way, Auburn

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

WHEREAS, the Redevelopment Agency of Placer County (Agency) has adopted the Redevelopment Plan for the North Auburn Redevelopment Project Area (Project Area) and the Implementation Plan for the North Auburn Redevelopment Project Area (collectively, the Project Area and Plans);

WHEREAS, the Agency and Quartz Ridge Family Apartments, L.P., (Developer) desire to enter into an Option Agreement for purchase of the Agency-owned property at 360 Silver Bend Way, Auburn; and

WHEREAS, this action will enable the Developer and Agency to continue to determine the feasibility of providing affordable housing in the North Auburn Redevelopment Area. As such, it is an activity taken in furtherance of the Redevelopment Plan for the North Auburn Redevelopment Project Area, for which an environmental impact report was prepared and certified pursuant to the California Environmental Quality Act (CEQA Guidelines Section 15180).

WHEREAS, the Quartz Ridge Family Apartments Project has undergone all environmental review required by the County and in compliance with CEQA. An addendum to the subsequent mitigated negative declaration was prepared for this Project by the County pursuant to CEQA and was certified as document PMUP 20100029 by the Planning Commission on May 13, 2010.

WHEREAS, the proposed action is not a federal undertaking under National Environmental Policy Act Guidelines.

NOW, THEREFORE, BE IT RESOLVED, by the Agency that the Agency Board:

1. Authorizes the Director or designee to execute an Option Agreement with Quartz Ridge Family Apartments, L.P., to acquire the Agency property at 360 Silver Bend Way, Auburn.