

**PLACER COUNTY**  
**BOARD OF SUPERVISORS**  
**MEMORANDUM**

**TO:** Honorable Members of the Board of Supervisors  
**FROM:** Richard Colwell, Chief Assistant CEO *RE Colwell*  
**DATE:** May 9, 2006  
**SUBJECT:** Conduct a Public Hearing Under the Tax Equity and Financial Responsibility Act for Northstar Community Housing Corporation's Tax Exempt Bonds to Finance the Sawmill Heights Employee Housing Development. Adopt Resolution Documenting Same.

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**ACTION REQUESTED**

Conduct a Public Hearing Under the Tax Equity and Financial Responsibility Act (TEFRA) for Northstar Community Housing Corporation's Tax Exempt Bonds to Finance the Sawmill Heights Employee Housing Development. Adopt Resolution Documenting Same.

**BACKGROUND**

On October 25, 2005, your Board approved a \$350,000 Housing Trust Fund loan to the Northstar Community Housing Corporation (NCHC) for the Sawmill Heights employee housing development. This development consists of 96 units of employee housing to be located near the intersection of Highway 267 and Northstar Road. As a condition of Placer County's funding, twelve of the units will be affordable to low – income households (80% of median income), while the remaining units will be affordable to moderate income households (120% of median income).

Sawmill Heights will be owned by NCHC, a 501(c)(3) not for profit public benefit corporation. NCHC was created by East West Partners, Inc. as a financing tool to provide the bulk of proceeds needed to construct the employee housing. Revenues generated by Sawmill Heights secure the issuance of tax-exempt bonds. A local government sponsor is required to issue the tax-exempt bonds and the Town of Truckee will assume that role. However, the NCHC may not issue bonds on behalf of the Town of Truckee without first conducting a public hearing in the jurisdiction in which the project is located.

A TEFRA public hearing must be conducted by the Placer County Board of Supervisors prior to the issuance of the tax-exempt bonds pursuant to the Internal Revenue Code of 1986. The purpose of the TEFRA hearing is to receive public comment. Approval of the attached resolution constitutes an approval of Sawmill Heights eligibility for financing. It does not commit the Board or the County to any liability, but merely provides the public with an opportunity to comment.

**FISCAL IMPACT**

There is no fiscal impact to the County in this action.

**ENVIRONMENTAL STATUS**

Actions related to loans and bond financing funding mechanisms are exempt under California Environmental Quality Act guidelines section 15310. The National Environmental Policy Act (NEPA) does not apply.

**RECOMMENDATION**

Conduct a Public Hearing Under the Tax Equity and Financial Responsibility Act for Northstar Community Housing Corporation's Tax Exempt Bonds to Finance the Sawmill Heights Employee Housing Development. Adopt Resolution Documenting Same.

cc: Sabrina Thompson, Deputy County Counsel

# Before the Board of Supervisors County of Placer, State of California

In the matter of:

**Conduct a Public Hearing Under the Tax Equity and  
Financial Responsibility Act for Northstar Community  
Housing Corporation's Tax Exempt Bonds to Finance the  
Sawmill Heights Employee Housing Development**

Resol. No:.....

Ord. No:.....

First Reading: .....

The following Resolution was duly passed by the Board of Supervisors  
of the County of Placer at a regular meeting held May 9, 2006,  
by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

\_\_\_\_\_  
Chair, Board of Supervisors

Clerk of said Board  
  
\_\_\_\_\_

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BE IT RESOLVED by the Board of Supervisors of the County of Placer as follows:

WHEREAS, to finance the construction of the Sawmill Heights employee housing project to be located on a portion of assessor parcel number 110-080-051, the Town of Truckee (the "Town") on April 6, 2006 authorized Northstar Community Housing Corporation, a California Nonprofit public benefit corporation (the "Corporation") to proceed forward to finalize the documentation to issue revenue bonds on behalf of the Town in the aggregate principal amount not to exceed \$27,000,000 (Bonds); and

WHEREAS, the Board of Supervisors is the elected legislative body of the County of Placer (County); and

WHEREAS, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (Code), timely publication of a Notice of Public Hearing was performed, to the effect that a public hearing would be held in the Board of Supervisors Chambers, 175 Fulweiler Avenue, Auburn, CA 95603 on May 9, 2006, regarding the issuance of the Bonds and the nature and location of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer that that above referenced recitals are true and correct.

BE IT FURTHER RESOLVED by the Board of Supervisors of the County of Placer that pursuant to Section 147(f) of the Code, the Board of Supervisors held a public hearing on May 9, 2006 and provided an opportunity to the community to present comments both for and against issuance of the Bonds and the nature and location of the Project. This Board of Supervisors has further considered all testimony and comments submitted in connection with the issuance of the Bonds and the nature and location of the Project at the public hearing.

BE IT FURTHER RESOLVED that the Board of Supervisors of the County of Placer, after consideration of the comments received at the public hearing, hereby approves the issuance of the Bonds and the operation of the Corporation within the County to provide financing for the construction of the Project.

BE IT FURTHER RESOLVED by the Board of Supervisors of the County of Placer that it is the purpose and intent of the County that this Resolution constitutes approval of the applicable elected representatives in accordance with the terms of Section 147(f) of the Code.

BE IT FURTHER RESOLVED by the Board of Supervisors of the County of Placer that this resolution shall take effect from and after the date of its passage and adoption.