

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Agency Board
FROM: Richard Colwell, Chief Assistant CEO – Redevelopment Director *RECEIVED*
Rae James, Deputy Director-Redevelopment
DATE: April 4, 2006
SUBJECT: Adopt a Resolution and Authorize Entering Into a Memorandum of Understanding with the Workforce Housing Association of Truckee Tahoe to Develop Affordable Housing in the Tahoe area and Authorize the Chief Assistant CEO-Redevelopment Director, or Designee to Execute Any Related Documents.

ACTION REQUESTED

Authorize a resolution and authorize entering into a Memorandum of Understanding with the Workforce Housing Association of Truckee Tahoe (WHATT) to develop affordable housing in the Tahoe area and authorize the Chief Assistant CEO-Redevelopment Director, or designee to execute any related documents.

BACKGROUND

Over the past several years the Redevelopment Agency (Agency) has pursued its commitment to provide affordable housing in the North Lake Tahoe Redevelopment Area. The Agency has made several rehabilitation and new construction loan programs available in the Tahoe area, and will continue to do so. The Agency has also assisted in the planning and/or funding for the development of multi family work force housing in Tahoe Vista, Northstar, Dollar Hill, and the Martis Valley. These programs are part of the Affordable Housing Strategy adopted by your Board in 1999. They are also part of the Five-Year Implementation Plan for the North Lake Tahoe Project Area adopted by your Board in 2001, and are reiterated in the new Five-Year Implementation Plan proposed on this same agenda. Recently Agency staff has submitted letters of interest to selected Kings Beach property owners in order to purchase sites for new construction of housing suitable on small lots.

Agency staff has also initiated discussions with WHATT to determine its interest in being an owner/developer of affordable units in the Tahoe area if provided project support from the Agency. WHATT is a non-profit affordable housing development corporation based in the North Lake Tahoe Region. Formed in 2002 by local citizens and the region's major employers, WHATT has proven to be an effective advocate for the creation of workforce housing. With funding support from the S. H. Cowell foundation of San Francisco, the North Lake Tahoe Resort Association, the Agency and the Town of Truckee, WHATT developed a business plan identifying the resources and organization structure needed to become an affordable housing

developer. The business plan defines a strategy for building the organization's own capacity and response to real estate development opportunities. As a result, the S.H. Cowell Foundation committed to fund WHATT for an additional \$240,000 covering three years of operating costs.

This item would allow the Chief Assistant CEO-Redevelopment Director to enter into a MOU with WHATT for the development of specific workforce housing projects in the North Lake Tahoe area. The MOU would also provide, that if the Agency acquires a site prior to execution of the MOU, the site could be transferred to WHATT subject to a deed of trust and your Board's approval. The MOU would establish reporting, monitoring and construction criteria that WHATT would have to meet and would be for a period of no less than four years.

As the Agency secures funding or gains site control for potential affordable housing projects meeting WHATT's and the Agency's criteria, staff will return to the Board for approval.

ENVIRONMENTAL STATUS:

This item does not constitute a project under the California Environmental Quality Act (CEQA) guidelines section 15378(b)(3) and is exempt from NEPA per 24 CFR Part 58.34(a)(1) and (a)(3).

FISCAL IMPACT

There will be no impact on the County General Fund. There are sufficient Agency monies budgeted to cover this item.

RECOMMENDATION

Adopt a resolution and authorize entering into a Memorandum of Understanding with the WHATT to develop specific affordable housing projects in the Tahoe area and authorize the Chief Assistant CEO-Redevelopment Director, or designee to execute any related documents.

cc: Sabrina Thompson, Agency Counsel

Before the Board of the Redevelopment Agency of the County of Placer

In the matter of:

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF
THE TRANSFER OF KINGS BEACH HOUSING
ASSISTANCE FUNDS FROM THE COUNTY FOR
PURPOSES OF ENTERING INTO A MEMORANDUM OF
UNDERSTANDING WITH THE WORKFORCE HOUSING
ASSOCIATION OF TRUCKEE TAHOE TO DEVELOP
AFFORDABLE HOUSING IN KINGS BEACH AND
AUTHORIZE THE CHIEF ASSISTANT CEO-
REDEVELOPMENT DIRECTOR, OR DESIGNEE TO
EXECUTE ANY RELATED DOCUMENTS**

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution was duly passed by the Board of the Redevelopment Agency
of the County of Placer at a regular meeting held April 04, 2006,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chair, Agency Board

Clerk of said Board

BE IT RESOLVED by the Redevelopment Agency of the County of Placer (the "Agency") as follows:

WHEREAS, the County of Placer, a political subdivision of the State of California, approved a Moderate Income Housing Plan on August 9, 2005; and

WHEREAS, the County established the Kings Beach Housing Assistance Fund as a result of a 1998 court settlement that allowed the County to collect funds from a recalcitrant landowner for various code violations; and

WHEREAS, the County of Placer adopted guidelines for the loan of County Housing Trust funds in September 2002; and

WHEREAS, the Board of Directors of the Workforce Housing Association of Tahoe Truckee, incorporated as a 501 (c)(3) non-profit in 2002, adopted a business plan in September 2005

NOW, THEREFORE, BE IT RESOLVED by the Agency is authorized to accept the transfer from the County of Placer of the Kings Beach Housing Assistance Fund for purposes of entering into a Memorandum of Understanding with the Workforce Housing Association of Truckee Tahoe to develop affordable housing in Kings Beach and authorize the Chief Assistant CEO-Redevelopment Director, or designee to execute any related documents.

BE IT FURTHER RESOLVED that the Agency authorizes the Chief Assistant CEO-Redevelopment Director or designee to execute in the name of the Agency, a Memorandum of Understanding with WHATT detailing the reporting, monitoring and construction of an affordable housing development in Kings Beach for a period of no less than four years.

BE IT FURTHER RESOLVED that the Agency authorizes the Chief Assistant CEO-Redevelopment Director or designee to execute in the name of the Agency all other documents related thereto, including but not limited to loan agreements, affordable housing covenants, escrow instructions, and any amendments thereto.