



Housing Bond Application

APPLICANT INFORMATION

Application Number: **2011025**
Name of Developer: **Pacific West Communities, Inc.**
Primary Contact: **Caleb Roope**
Title: **President**
Address: **430 E. State Street, Suite 100
Eagle, ID 83616**
Telephone Number: **(208) 461-0022 Ext. 3015**
Fax Number: **(208) 461-3267**
E-mail: **denisec@tpchousing.com**

BORROWER DESCRIPTION

Type of Entity: For-profit Corporation Non-profit Corporation
 Municipality Partnership
 Other (specify): _____

For Non-profits only: Will you be applying for State Volume Cap? No

Name of Borrowing Entity: **SLT Pacific Associates, a California limited partnership**

Date Established: **6-1-2009**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **90**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **90**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **Citibank**

Contact: **Mike Hemmens**

Address: **325 E. Hillcrest Drive, Suite 160
Thousand Oaks, CA 91360**

Telephone: **(805) 557-0930 Ext. 224**

Fax: **(805) 557-0924**

E-mail: **mike.hemmens@citi.com**

BOND COUNSEL

Firm: **Orrick, Herrington & Sutcliffe, LLP**

Contact: **Justin Cooper**

Address: **405 Howard Street, Orrick Building
San Francisco, CA 94105-2669**

Telephone: **(415) 773-5908**

Fax: **(415) 773-5759**

E-mail: **jcooper@orrick.com**

Application Number: **2011025 - The Aspens at South Lake**
 Name of Borrower: **Pacific West Communities, Inc.**

PROJECT DESCRIPTION

Current Project Name: **The Aspens at South Lake**
 New Project Name:
 Project Street Address: **3521 & 3541 Pioneer Trail**
 City: **South Lake Tahoe** State: **CA** Zip Code: **96150**
 County: **El Dorado**
 Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **0** Restricted: **47** Total Units: **47**

Lot Size: **5.5 Acres**

Amenities: **The project will include a 1,750 square foot community building consisting of an office, maintenance room, computer learning center, laundry facilities, community kitchen and a community / TV room. The development includes a variety of amenities such as a centrally located outdoor playground, a naturally shaded picnic area, an outdoor sitting area and covered bicycle storage.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **The Development's Goal Is To Be Leed Certified, Thus Providing Energy Efficient Units As Well As Providing High Indoor Air Quality For Residents. The Type Of Construction Will Be Wood Frame Supported By Perimeter Foundations With Concrete Slab Flooring. The Buildings Will Conform To The Natural Terrain With Minor Amounts Of Grading And Ground Disturbance. The Design Incorporates Many Of The Existing Large Pine Trees On Site. The Exterior Will Be Fiber Cement Lap And Shake With Class A Composite Roof Shingles And Architectural Accents, Providing An Aesthetically Appealing Exterior That Blends With The Character Of The Surrounding Neighborhood** Senior Is this an Assisted Living Facility?

City or county contact information:

Contact Name: **Nancy Kerry**
 Title: **Manager, Redevelopment, Housing, Economic Developm**
 Phone Number: **(530) 542-6043**
 Fax Number: **(530) 542-4054**
 E-mail: **nkerry@cityofslt.us**

PUBLIC BENEFIT

Percentage of Units in Low Income Housing: **100%**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **30%, 40% and 50% AMI**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	30	1	\$355	\$750	\$395
1 Bedroom	40	1	\$492	\$750	\$258
1 Bedroom	50	16	\$629	\$750	\$121
2 Bedrooms	30	2	\$421	\$850	\$429
2 Bedrooms	40	2	\$586	\$850	\$264
2 Bedrooms	50	10	\$750	\$850	\$100
3 Bedrooms	30	2	\$490	\$1,100	\$610
3 Bedrooms	40	2	\$680	\$1,100	\$420
3 Bedrooms	50	11	\$870	\$1,100	\$230

Application Number: **2011025 - The Aspens at South Lake**
Name of Borrower: **Pacific West Communities, Inc.**

PUBLIC BENEFIT(continued)

Remarks:

Application Number: 2011025 - The Aspens at South Lake

Name of Borrower: Pacific West Communities, Inc.

OTHER PUBLIC BENEFIT

SERVICES PROVIDED

- High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- After school program of an on going nature for the minimum of 10 years.
- Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- Licensed childcare providing 20 hours or more per week (Monday through Friday) to residents of the development.
- Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

ENVIRONMENT

Energy

Does the facility exceed Title 24 Standards? Yes No N/A

If Yes, by what percent? _____%

Does the facility have solar(PV) panels? Yes No N/A

If Yes, what is the size in kWh? _____

Does the facility purchase carbon credits? Yes No N/A

If Yes, what is the annual consumption? _____

Water

Does the facility provide any of the following:

Efficient Toilets? Yes No N/A

Water-saving showerheads? Yes No N/A

Drought tolerant landscaping? Yes No N/A

Other, specify: _____

Transportation

Does the entity provide carpooling or mass-transit subsidies? Yes No N/A

Does the entity maintain a fuel efficient fleet? Yes No N/A

Waste

Does the project provide recycling facilities? Yes No N/A

WORKFORCE

Employment Creation

Job Type/Description	During Construction	Post Construction
None	0	0

GOVERNMENTAL INFORMATION

Congressional District #	State Senate District #	State Assembly District #
4	1	4

Application Number: **2011025 - The Aspens at South Lake**
 Name of Borrower: **Pacific West Communities, Inc.**

FINANCING STRUCTURE

Type of Financing: Public Sale Private Placement Refunding
 For Refundings only: Will you be applying for State Volume Cap? No
 For Refundings only: Is this a transfer of property to a new owner? _____
 Maturity: 40 Years Interest Rate Mode: Fixed Variable

CONSTRUCTION FINANCING:

Credit Enhancement: None Letter of Credit
 FNMA(Fannie Mae) Freddie Mac
 Bond Insurance Other (specify): _____

Name of Credit Enhancement Provider or Private Placement Purchaser: **Citibank**

PERMANENT FINANCING:

Credit Enhancement: None Letter of Credit
 FNMA(Fannie Mae) Freddie Mac
 Bond Insurance Other (specify): _____

Name of Credit Enhancement Provider or Private Placement Purchaser: **Citibank**

Expected Rating: Unrated S & P _____
 Moody's _____ Fitch _____

Projected State Allocation Pool: General Mixed Income Rural

Will the project use Tax-Credit as a source of funding?: Yes

SOURCES & USES

CONSTRUCTION SOURCES

USES

Tax-Exempt Bond Proceeds:	\$9,000,000	Land Acquisition:	\$1,855,000
Taxable Bond Proceeds:		Building Acquisition:	
Tax Credits:	\$484,361	Construction or Remodel:	\$8,551,420
Developer Equity:		Cost of Issuance:	\$535,832
Other Funds(Describe):		Capitalized Interest:	\$450,000
City of SLT HOME Funds	\$4,000,000	Reserves:	\$89,513
City of SLT RDA Loan	\$625,000	Other Funds(Describe):	
STPUD Fee Deferral	\$550,000	Architecture & Engineering	\$575,000
Def. Dev. Fee & Costs	\$1,289,513	Building Permits & Impact Fees	\$2,166,972
_____	Developer Fee	\$1,200,000
TOTAL:	\$15,948,874	Miscellaneous Soft Costs	\$525,137
		_____
		TOTAL:	\$15,948,874

Application Number: 2011025 - The Aspens at South Lake
Name of Borrower: Pacific West Communities, Inc.

PRINCIPAL FINANCE TEAM INFORMATION (continued)

FINANCIAL ADVISOR	REBATE ANALYST
Firm: N/A	Firm: TBD
Contact:	Contact:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail:	E-mail:

ADDITIONAL REQUIREMENT

Please provide the following as an additional attachment:

Attachment Description of Information

A \$5,000 non-refundable* application fee payable to "California Communities."

*Refundable only if financing not approved.

MAILING ADDRESS

California Communities®
2033 N. Main St., Suite 700
Walnut Creek, CA 94596



Building Communities, Investing in Local Government Since 1988

March 21, 2011

VIA EMAIL

Kathy Matranga-Cooper
County of El Dorado
330 Fair Lane
Placerville, CA 95667

Re: Public Hearing for The Aspens at South Lake Apartments Project

Dear Kathy:

Pacific West Communities, Inc. (the "Applicant") has submitted to the California Statewide Communities Development Authority (the "Authority") an application for the construction of The Aspens at South Lake Apartments project in South Lake Tahoe through the issuance of tax-exempt obligations in an aggregate principal amount not to exceed \$11 million. The purpose of this letter is to request assistance from the County of El Dorado in conducting a public hearing with respect to the proposed financing. It is our understanding that the County will conduct the public hearing on April 12, 2011.

The Authority is a joint exercise of powers authority consisting of over 500 California cities, counties and special districts, including the County of El Dorado. The Authority pursuant to its Amended and Restated Joint Exercise of Powers Agreement is authorized to assist in the financing of facilities for multifamily housing projects. In order to initiate such a financing, the member participant of the Authority in which the proposed facilities will be located must (i) conduct a public hearing and (ii) approve the Authority's issuance of indebtedness. Therefore, although the Authority will be the issuer of the tax-exempt revenue obligations for the Applicant, the financing cannot proceed without the County's approval of the financings.

I have attached for your review a copy of the Application and attachments filed with the Authority. You will be receiving a letter from Justin Cooper of Orrick, Herrington & Sutcliffe serving as bond counsel, describing the public hearing process and the requirements under state and federal laws, including the Tax Equity and Fiscal Responsibility Act (TEFRA). This letter will include for your review the form of Notice of Public Hearing and the form of the Board of Supervisor's Resolution evidencing that the County has approved of the financing.

Founding Co-Sponsors:

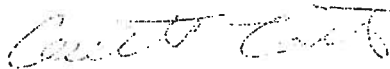


2033 North Main Street, Suite 700 • Walnut Creek, California 94596
800.635.3993 • 925.933.9229 • Fax 925.933.8457 • info@cacommunities.org • www.cacommunities.org

March 21, 2011

Thank you for your assistance in this matter. Please let me know if you require any additional information concerning the scheduling of such public hearing or if I can be of any other assistance.

Thank you,



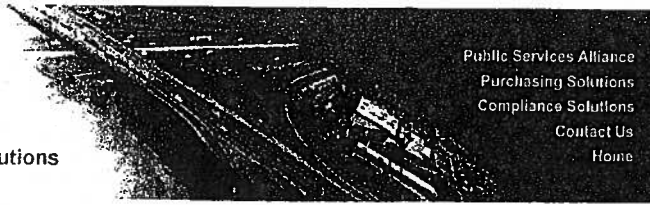
Caitlin Lanctot
Program Manager

Enclosures

cc: Justin Cooper (jcooper@orrick.com)
Caleb Roope (calebr@tpchousing.com)



Think of us first
for providing solutions



Public Services Alliance
Purchasing Solutions
Compliance Solutions
Contact Us
Home

Housing

Home

CaLease

Pension Obligation

STAR Bonds

Statewide Community
Infrastructure Program
(SCIP)

TRANS

Water / Wastewater

501(c)(3) Nonprofit

Housing Bonds

IDBs / Manufacturing

Exempt Facilities / Solid
Waste

Community Benefit

Community Benefit Report

Public Services Alliance

Public Services Alliance

Public Services Alliance

Public Services Alliance

Public Services Alliance

Public Services Alliance

Overview

California Communities® Housing Bond Program is designed to assist both for profit and nonprofit developers in accessing tax-exempt bonds ("Bonds") for the financing of low-income multifamily and senior housing projects. The Bonds may be used to finance or refinance the acquisition and rehabilitation of an existing project or for the construction of a new project, provided the developer agrees to set aside all, or a portion, of the units in a project for individuals and families of very low, low or moderate income. A developer can finance a project at a lower interest rate than available through conventional financing because the interest paid to bondholders is exempt from federal (and in some case state) income taxes.

To reserve the right to issue tax-exempt housing bonds, California Communities® and the developer must file an application with the State of California to secure an award of volume cap. California Communities® staff will guide each developer through the state application process.

Moreover, California Communities® will work with each developer post bond issuance to ensure each project remains in compliance with state and federal laws through its affiliate U.S. Communities Housing Compliance Services. For more information on Compliance Services, please click on the following link: www.housingcompliance.org.

Since inception, California Communities® has issued over \$7 billion in Bonds for more than 841 multifamily and senior housing projects throughout California.

For more information, please contact James Hamill at (925) 933-9229 ext. 216.

On-line Application

To complete the on-line Housing Application form, please click 

 Printer-friendly version



STATE OF CALIFORNIA - BUSINESS, TRANSPORTATION, AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

Edmund G. Bown Jr., Governor

1800 Third Street, Suite 390
P.O. Box 952054
Sacramento, CA 95811
(916) 322-1560
FAX (916) 327-6660



MAR 3 2011

Mr. Tony O'Rourke
City Manager
City of South Lake Tahoe
1901 Airport Road, Suite #203
South Lake Tahoe, CA 96150

Dear Mr. O'Rourke:

Re: City of South Lake Tahoe;
10-HOME-6347, The Aspens at South Lake

I am pleased to inform you that the State of California's Department of Housing and Community Development has conditionally reserved an additional \$3,000,000 for the City of South Lake Tahoe's application for the HOME Investment Partnerships (HOME) Program. This supplemental award will bring your existing \$2,100,000 conditional reservation up to \$5,100,000. Attached is the Fact Sheet showing information for the total HOME award.

This letter identifies the full amount of the HOME conditional reservation; this amount completely replaces the amount identified in your previous contract.

Once again, congratulations for having submitted a successful application. We look forward to working with you to promote the success of your affordable housing activities. If you have any questions, please contact Tom Bettencourt, Federal Programs Branch Chief at (916) 327-3635.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Westlake".

Chris Westlake
Deputy Director

State HOME Program Award Information

2011 Supplemental NOFA Rental Project Fact Sheet

<u>Activity Funding and Units:</u>	<u>Award Amount</u>	<u>HOME Units</u>	<u>Total Units</u>
Rental New Construction Project	5,000,000	47	48
Activity Delivery	50,000		
State Recipient Administration	50,000		
	<u>5,100,000</u>		

CITY OF SOUTH LAKE TAHOE
SOUTH TAHOE REDEVELOPMENT AGENCY

RESOLUTION NO. 2011- 1

A RESOLUTION AUTHORIZING THE COMMITMENT OF A LOAN \$2,500,000 OF AVAILABLE LOW AND MODERATE INCOME HOUSING FUNDS IN SUPPORT OF THE DEVELOPMENT OF A NEW CONSTRUCTION AFFORDABLE HOUSING PROJECT (THE ASPENS SOUTH LAKE) AT 3521/3541 PIONEER TRAIL

WHEREAS, results from a December 2010 survey of South Lake Tahoe residents indicate 80% of the community desires more quality affordable housing; and

WHEREAS, according to the 2000 Census Data and documented in the City's state-certified January 26, 2009 Housing Element, approximately twelve percent (12%) of renters living in the City of South Lake Tahoe are living in severely overcrowded conditions of more than 1.5 persons per room; and

WHEREAS, according to the City's state-certified January 26, 2009 Housing Element, approximately eight percent (8%) of the population of the City of South Lake Tahoe are living in severely overcrowded conditions of more than 1.5 persons per room; and

WHEREAS, according to the City's state-certified January 26, 2009 Housing Element, 85% of the City's housing stock was built before 1980 and between 56.2% of households pay greater than 30% of their income for housing costs and 32.8% of renters spend greater than 50% of their income on housing costs;

WHEREAS, Pacific West (PacWest) Communities, Inc. (the Developer) is a well-established real estate and financing firm specializing in the development and ownership of affordable workforce housing throughout the western United States, including 50 projects in California, specializing in the use of the affordable housing tax credits, federal, state, and local resources including HOME Funds, Community Development Block Grants (CDBG) to successfully produce projects throughout the west coast; and

WHEREAS, the Key Principal for the project developer, Caleb Roope, has managed the development and construction of over 80 projects including many in California; and

WHEREAS, PacWest requests a loan in the amount of \$2,500,000 in Redevelopment Agency low- and moderating-income housing funds payable to the developer in installments of \$625,000 per year for four years with a Return on Investment (ROI) of three percent (3%), payable out of project proceeds beginning in year twelve of the project; and

WHEREAS, the Redevelopment Agency commits available low and moderate income housing funds in the sum of \$2,500,000 to support a new 48-unit affordable housing project to be located at 3521/3541 Pioneer Avenue (APN: 027-323-10 and 027-323-16), which is in reasonable proximity to the Redevelopment Project Area ("Project"); and

WHEREAS, "available low and moderate income housing funds" means that the Agency determines that there are sufficient funds in the low income and moderate housing fund account and the State of California or any other federal or state agency has not taken

any more funds than have been stolen by Assembly Bill X4-26 to be transferred to school districts (the Supplemental Revenue Augmentation Fund); and

WHEREAS, PacWest will pursue funding allocations for a State HOME grant in an amount up to \$5.1 million dollars to support the proposed affordable housing project and the commitment of local RDA funds will be used as match and/or leverage for that grant applications; and

WHEREAS, Section 33334.2(f) of the State of California Health and Safety Code declares that low- and moderate-income housing funds may be used, in whole or part, by an agency to meet the replacement housing provision of Section 33413; and

WHEREAS, Section 33334.2(g) of the State of California Health and Safety Code declares that the agency may use low- and moderate-income housing funds outside the project area, but only upon a resolution of the agency and the legislative body that such will be of benefit to the project (This Resolution shall serve this purpose for the South Tahoe Redevelopment Agency, in conjunction with Resolution 2009-6); and

WHEREAS, Section 33334.2(g) of the State of California Health and Safety Code also states "That the Legislature finds and declares that the provision of replacement housing pursuant to Section 33413 is always a benefit to a project."

NOW THEREFORE, BE IT RESOLVED that

1. The above recitals are true and correct.
2. The South Tahoe Redevelopment Agency does hereby authorize a loan to Pacific West Communities, Inc. (Developer) or its limited partnership affiliate following successful award of HOME grant in the amount of \$625,000 per year for four years (for a total of \$2,500,000) beginning October 15th of the year construction commences from low and moderate income housing funds as determined available in support of the development of a new construction affordable housing project (The Aspens) at 3521/3541 Pioneer Trail (APN: 027-323-10 and 027-323-16) for the purpose of providing the redevelopment agency with replacement housing to meet the housing production goals for low- and moderate-income persons.
3. The interest on the loan shall be 3 percent per annum and commence accruing upon first disbursement of the funds to Developer.
4. The first installment of \$625,000 shall not be disbursed to the Developer until the financing has been acquired to complete the Project to the satisfaction of Agency and City of South Lake Tahoe and Developer has commenced construction; Commenced construction shall mean in addition to obtaining all permits, the Developer has begun physical on-site construction; This refers to placement, assembly, or installation of materials, equipment, or facilities which will make up part of the affordable housing units.; The activities must be site specific for the Aspens. Site clearing and excavation will not satisfy the commence construction definition.

5. The second installment of \$625,000 shall not be disbursed to the Developer until the Project is completed. Completion shall mean the issuance of a certificate of occupancy for the units.
6. The loan to the Developer will be repaid to the Agency beginning in year twelve following construction completion and be payable from residual receipts of which the City's loan payment will be fifty percent (50%) of receipts.
7. The South Tahoe Redevelopment Agency hereby finds and declares that because the \$2,500,000 of low- and moderate-income housing funds will be used in support of a new affordable housing project to create replacement housing for the South Tahoe Redevelopment Agency, that the use of low- and moderate-income housing funds outside the project area is a benefit to the project pursuant to Section 33334.2(g) of the State of California Health and Safety Code.
8. The Agency Board finds, pursuant to Health and Safety Code section 33334.3(j) that the Developer has made good faith efforts to obtain private or commercial financing for purposes of acquiring and constructing the Project, but is unable to obtain sufficient financing to maintain the level of affordability and quality of units contemplated herein and is in need of additional funding.
9. The Agency Board finds that pursuant to Labor Code section 1720(c)(6)(E) that the funds will be used to provide a below-market rate loan to create housing in which more than 40% of the units are available to families earning at or below 80% of Area Median Income.

BE IT FURTHER RESOLVED the City Manager and his/her designee are hereby authorized and directed to execute the Loan Agreement, the Regulatory Agreement, and such other documentation reasonably necessary to document the loan between the Agency and Pacific West (PacWest) Communities, Inc. or its limited partnership affiliate as described in the accompanying staff report, all in a form approved by the Agency Legal Counsel.

PASSED AND ADOPTED by the South Tahoe Redevelopment Agency at a regular meeting on February 8, 2011 by the following vote:


AYES: Agency Member(s): COLE, FORTIER, DAVIS, GREGO & SWANSON

NOES: Agency Member(s): _____

ABSTAIN: Agency Member(s): _____

ABSENT: Agency Member(s): _____

ATTEST:



Susan Alessi, Agency Secretary



Hal Cole, Chair

CITY OF SOUTH LAKE TAHOE

CITY COUNCIL

RESOLUTION NO. 2011 - 14

A RESOLUTION AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) REQUESTING UP TO \$5.1 MILLION FOR THE DEVELOPMENT OF A MULTIFAMILY AFFORDABLE HOUSING PROJECT (THE ASPENS) AT 3521/3541 PIONEER TRAIL AND IF SELECTED, THE EXECUTION OF A STANDARD AGREEMENT, AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE HOME INVESTMENT PARTNERSHIPS PROGRAM;

WHEREAS, the California Department of Housing and Community Development ("HCD") is authorized to allocate HOME Investment Partnerships Program ("HOME") funds made available from the U.S. Department of Housing and Urban Development ("HUD"). HOME funds are to be used for the purposes set forth in Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, in federal implementing regulations set forth in Title 24 of the Code of Federal Regulations, part 92, and Title 25 of the California Code of Regulations commencing with section 8200; and

WHEREAS, on January 20, 2011, the Department issued a 2011 Notice of Funding Availability announcing the availability of funds under the HOME program (the "NOFA"); and

WHEREAS, in response to the 2011 NOFA, City of South Lake Tahoe, a political subdivision of the State of California (the "Applicant"), wishes to apply to the Department for, and receive an allocation of, HOME funds.

WHEREAS, results from a December 2010 survey of South Lake Tahoe residents indicate 80% of the community desires more quality affordable housing; and

WHEREAS, the City's state-certified January 26, 2009 Housing Element indicated approximately twelve percent (12%) of renters living in the City of South Lake Tahoe are living in severely overcrowded conditions of more than 1.5 persons per room; and

WHEREAS, as documented in the City's state-certified January 26, 2009 Housing Element, approximately eight percent of the population of the City of South Lake Tahoe are living in severely overcrowded conditions of more than 1.5 persons per room; and

WHEREAS, as documented the City's state-certified January 26, 2009 Housing Element 85% of the City's housing stock was built before 1980 and between 56.2% of households pay greater than 30% of their income for housing costs and 32.8% of renters spend greater than 50% of their income on housing costs;

WHEREAS, Pacific West (PacWest) Communities, Inc. (the developer) is a well-established real estate and financing firm specializing in the development and ownership of affordable workforce housing throughout the western United States, including 50 in

California, specializing in the use of the affordable housing tax credits, federal, state, and local resources including HOME Funds, Community Development Block Grants (CDBG) to successfully produce projects throughout the west coast; and

WHEREAS, the Key Principal for the project developer, Caleb Roope, has managed the development and construction of over 80 projects including many in California; and

WHEREAS, the South Tahoe Redevelopment Agency Board has authorized the use of \$2,500,000 in Redevelopment Agency low- and moderating-income housing funds as a loan to PacWest with a Return on Investment (ROI) to the City of three percent (3%), payable out of project proceeds beginning in or around year twelve of the project; and

WHEREAS, the housing units produced will be outside the Redevelopment Project Area; and

WHEREAS, Section 33334.2(g) of the State of California Health and Safety Code declares that a Redevelopment Agency may use low- and moderate-income housing funds outside the project area, but only upon a resolution of the Agency and City Council that such will be of benefit to the project (This Resolution shall serve this purpose for the City Council); and

WHEREAS, Section 33334.2(g) of the State of California Health and Safety Code also states, "That the Legislature finds and declares that the provision of replacement housing pursuant to Section 33413 is always a benefit to a project."

IT IS NOW THEREFORE RESOLVED THAT:

IT IS NOW THEREFORE RESOLVED THAT:

1. The above recitals are true and correct.
2. In response to the 2011 NOFA, the Applicant shall submit an application to the Department to participate in the HOME program and for an allocation of funds not to exceed Five Million One Hundred Thousand Dollars (\$5,100,000.00) for the following activities and/or programs.
3. A 48-unit Rental New Construction affordable housing project for very low and low-income renter families to be located at 3521/3541 Pioneer Avenue (APN: 027-323-10 and 027-323-16) in the City of South Lake Tahoe, California.
4. If the application for funding is approved, then the Applicant hereby agrees to use the HOME funds for eligible activities in the manner presented in its application as approved by the Department in accordance with the statutes and regulations cited above. The Applicant may also execute a standard agreement, any amendments thereto, and any and all other documents or instruments necessary or required by the Department or HUD for participation in the HOME program (collectively, the required documents).

5. The City finds and declares that since the \$2,500,000 of low- and moderate-income housing funds will be used for the proposed rental, new construction, affordable housing project, in conjunction with HOME funds if awarded, to create replacement housing for the South Tahoe Redevelopment Agency, that the use of low- and moderate-income housing funds outside the Project Area is of benefit to the Project pursuant to Section 33334.2(g) of the State of California Health and Safety Code.
6. The applicant authorizes the City Manager or his/her designees to execute in the name of the applicant the required HCD documents.

BE IT FURTHER RESOLVED that the Council finds, pursuant to Health and Safety Code section 33334.3(j) that the Developer has made good faith efforts to obtain private or commercial financing for purposes of acquiring and constructing the Project, but is unable to obtain such financing to maintain the level of affordability and quality of units contemplated herein; and

BE IT FURTHER RESOVLED that the Council finds that pursuant to Labor Code section 1720(c)(6)(E) that the funds will be used to provide a below-market rate loan to create housing in which more than 40% of the units are available to families earning at or below 80% of Area Median Income; and

BE IT FURTHER RESOLVED the applicant authorizes the City Manager or his/her designee(s) to execute, in the name of the applicant, the Loan Agreement, the Regulatory Agreement, and such other documentation reasonably necessary to document the loan between the Agency and Pacific West (PacWest) Communities, Inc. or its limited partnership affiliate as described in the accompanying staff report, all in a form approved by the Agency Legal Counsel.

PASSED AND ADOPTED by the City Council of the City of South Lake Tahoe at a regular meeting on February 8, 2011 by the following vote:

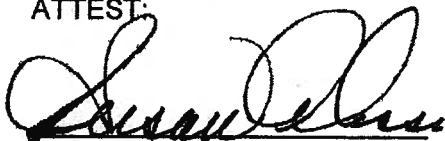
AYES: Council Member(s) COLE, FORTIER, DAVIS, GREGO & SWANSON

NOES: Council Member(s) _____

ABSENT: Council Member(s) _____

ABSTAIN: Council Member(s) _____

ATTEST:



Susan Alessi, City Clerk



Hal Cole, Mayor

