



RESOLUTION No. _____

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION AUTHORIZING THE EXECUTION OF A LEASE RIDER AGREEMENT TO THE GROUND LEASE AGREEMENT BETWEEN NEVADA COUNTY AND GRASS VALLEY PSH ASSOCIATES TO COMPLY WITH TERMS AND CONDITIONS OF AN ALLOCATION AUTHORIZED BY THE CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE AS IT PERTAINS TO COUNTY-OWNED PROPERTY LOCATED AT 936 OLD TUNNEL RD., GRASS VALLEY, CA (APN NO 035-400-054), DESIGNATED AS THE LOCATION OF THE BRUNSWICK COMMONS AFFORDABLE HOUSING PROJECT (RESOLUTION NO. 19-358), AND AUTHORIZING THE NEVADA COUNTY FACILITIES DIRECTOR TO EXECUTE THE LEASE RIDER AGREEMENT AND FURTHER RIDERS OR AMENDMENTS TO THE GROUND LEASE AGREEMENT

WHEREAS, the Nevada County Board of Supervisors has established homelessness and affordable housing as a legislative priority; and

WHEREAS, the County is the owner of a 5.0+ acre parcel of real property located at 936 Old Tunnel Rd., Grass Valley, CA 95945, APN No. 035-400-054 ("Property"); and

WHEREAS, the County is retaining ownership of the Property for the developed Brunswick Commons 41-unit affordable housing project for homeless persons and persons with psychiatric disabilities who are homeless, or at risk of homelessness, and their families to achieve permanent supportive housing and self-sufficiency by promoting the integration of affordable housing and appropriate supportive services ("Project"); and

WHEREAS, on January 8, 2019, per Resolution 19-203, the Nevada County Board of Supervisors approved a Memorandum of Understanding ("MOU") between the County of Nevada, Hospitality House, and the Regional Housing Authority ("RHA") regarding the intent to work cooperatively on pre-development activities related to the construction of affordable housing, transitional housing, and a navigation center on the Property; and

WHEREAS, on January 22, 2019, per Resolution 19-044, the Nevada County Board of Supervisors approved Amendment No. 1 to the MOU to clarify site control over the Property for purposes of No Place Like Home ("NPLH") funding, and to provide County with the exclusive right to negotiate with the RHA, as Developer, for the acquisition of 2.32 +/- acres of the Property for purposes of constructing the Project; and

WHEREAS, the Regional Housing Authority contracted with Pacific West Communities ("PWC") to be co-Developer, operator, and manager of the Project, with the intent to develop the Property utilizing 9% Low Income Housing Tax Credits and other funding sources in addition to NPLH funding; and

WHEREAS, on June 25, 2019, per Resolution 19-358, the Nevada County Board of Supervisors approved that certain exclusive Option to Ground Lease Agreement by and between the County of Nevada, and jointly RHA and PWC in order to apply for said funding and perform pre-development activities related to the Project; and

WHEREAS, in order to act as both borrower and operator of the Project, RHA and PWC created the Grass Valley PSH Associates, a California Limited Liability Company (“PSH”), of which they will remain the two partners; and

WHEREAS, on February 11, 2020, per Resolution 20-032, the Nevada County Board of Supervisors approved the Assignment and Assumption of the Option to Ground Lease Agreement, whereby Regional Housing Authority and PWC, as “Optionee/Assignors” assigned all right, title, and interest under the Option to Ground Lease to PSH, and PSH assumed all liabilities and obligations under the Option to Ground Lease as “Assignee;” and

WHEREAS, California Tax Credit Allocation Committee (TCAC) funding was secured for the project in June of 2020; and

WHEREAS, on August 19, 2020, RHA and PCW through their partnerships, PSH, submitted a Memorandum notifying the County of their exercise of the Option to Ground Lease; and

WHEREAS, under the terms of the Ground Lease, PSH will be responsible for the construction and operation the Project pursuant to the Disposition and Development and Regulatory Agreement entered into between the Parties, as well as other Regulatory Agreements between PSH and TCAC and NPLH, pertaining to the Project’s affordability and operational requirements; and

WHEREAS, the exercised Option to Ground Lease was approved by the Nevada County Board of Supervisors on September 1, 2020, through Resolution 20-399; and

WHEREAS, the California Tax Credit Allocation Committee (TCAC) requires the execution of the Lease Rider Agreement to the Ground Lease Agreement,

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Nevada, State of California, authorizes the execution of a Lease Rider Agreement to the Ground Lease Agreement between Nevada County and Grass Valley PSH Associates to comply with terms and conditions of an allocation authorized by the California Tax Credit Allocation Committee as it pertains to County-owned property located at 936 Old Tunnel Rd., Grass Valley, CA (APN NO 035-400-054), designated as the location of the Brunswick Commons affordable housing project (Resolution No. 19-358).

BE IT FURTHER RESOLVED that the Board of Supervisors authorizes the Nevada County Facilities Director to execute the Lease Rider Agreement and any future riders or amendments to the Ground Lease Agreement.