



# **RESOLUTION No. \_\_\_\_\_**

## **OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA**

### **RESOLUTION APPROVING A LOAN AGREEMENT IN FURTHERANCE OF THE DEVELOPMENT OF THE PACIFIC CREST COMMONS APARTMENT PROJECT IN THE TOTAL AMOUNT OF \$207,722 AND AUTHORIZING AND DIRECTING THE AUDITOR-CONTROLLER TO RELEASE \$207,722 FROM THE SPECIAL PROJECT CONTINUATION ASSIGNMENT IN THE GENERAL FUND, AND AMEND THE HOUSING SERVICES ADMINISTRATION AND OTHER SOURCES & USES BUDGETS FOR FISCAL YEAR 2024/25 (4/5 VOTE REQUIRED)**

WHEREAS, the Board of Supervisors established a 2019 Board Objectives A Priority to "Coordinate with local jurisdictions, developers and other partners to maximize leveraging opportunities with new state funding for affordable and workforce housing development"; and

WHEREAS, the Regional Housing Authority (RHA) and Pacific West Communities are co-developers of the proposed Pacific Crest Commons Apartment project, a fifty-five-unit affordable housing project located in Truckee, CA ("Project"); and

WHEREAS, the Federal Low-Income Tax Credit program was established by the Tax Reform Act of 1986 to encourage the construction and rehabilitation of low-income rental housing, and the California Tax Credit Allocation Committee (CTCAC) is responsible for allocating tax credits to owners of qualifying residential rental housing projects; and

WHEREAS, CTCAC encourages local government agencies to provide financial assistance to aid in the development and construction of low-income rental housing; and

WHEREAS, the County of Nevada was previously approached by the RHA with a request to provide loans from funds earmarked for affordable housing to the Pacific Crest Commons Apartments project; and

WHEREAS, the Project will further the public purpose and Nevada County Board of Supervisors' Objectives of addressing affordable housing needs within the County of Nevada; and

WHEREAS, on January 14, 2025, the Nevada County Board of Supervisors, per Resolution No. 25-011 approved a loan commitment to RHA in furtherance of the Project, allocating the amount of \$207,722; and

WHEREAS, the approved loan commitment to RHA in furtherance of the Project was contingent on the developer successfully securing tax credits for the Project through the competitive TCAC process; and

WHEREAS, the Developer has satisfied the condition laid out in the previous resolutions to secure award of Federal tax credits from CTCAC in order to receive the loan amounts indicated by resolution; and

WHEREAS, the loan to RHA will not be secured by a deed of trust as previously understood, as RHA is committing the funding wholly to the Project and is unable to secure the County funds through a deed of trust; and

WHEREAS, the County desires to execute the Loan Agreement and corresponding Promissory Note with RHA in the amount of \$207,722 for a term of fifty-five (55) years from the issuance of the certificate of occupancy at an interest rate of 3% per annum, with the loan principal and interest repaid from residual cash flow from the Project.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Supervisors of the County of Nevada authorizes the Chair of the Board of Supervisors to sign the Loan Agreement and Promissory Note in substantially the same forms attached hereto between the County of Nevada and Regional Housing Authority in the amount of \$207,722 with a repayment term of fifty-five (55) years at an interest rate of 3% per annum, with loan repayments made from residual cash flow from the project.

BE IT FURTHER RESOLVED, that the Health and Human Services Agency Director or his/her designee(s) is authorized to sign any/all amendments to the Loan Agreement and/or other documents necessary to complete the loan transaction.

BE IT FURTHER RESOLVED that the Auditor-Controller is authorized and directed to release \$207,722 from the Special Project Continuation Assignment in the General Fund, and to amend the Housing Services Administration and Other Sources & Uses Budgets for the Fiscal Year 24/25 as follows:

**Fiscal Year 2024/25**

Revenue	1589-50601-451-7000 /474002	\$207,722
Expenditure	1589-50601-451-7000 / 522090	\$207,722
	0101-10206-272-1000 / 550702	\$207,722