



RESOLUTION NO. _____

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION ACCEPTING THE EXERCISE OF THE “GROUND LEASE AGREEMENT” BY GRASS VALLEY PSH ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP, PERTAINING TO COUNTY-OWNED PROPERTY LOCATED AT 936 OLD TUNNEL RD., GRASS VALLEY, CA (APN 035-400-054), DESIGNATED AS THE LOCATION OF THE PROPOSED BRUNSWICK COMMONS AFFORDABLE HOUSING PROJECT (RESOLUTION NO. 19-358), AUTHORIZING THE EXECUTION OF A 99-YEAR LEASE, APPROVING THE DEVELOPMENT AND DISPOSITION AND REGULATORY AGREEMENT, AND APPROVING THE DEVELOPMENT OF THE BRUNSWICK COMMONS AFFORDABLE HOUSING PROJECT

WHEREAS, the Nevada County Board of Supervisors has established homelessness and affordable housing as a legislative priority A; 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 035-400-054 (“Property”); and

WHEREAS, the County is retaining ownership of the Property with the intent to utilize a portion of it for the development of the proposed 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 has 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 Partnership ("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, No Place Like Home and California Tax Credit Allocation Committee (TCAC) funding have been secured for the project and the construction permit has been requested from the City of Grass Valley; 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.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Nevada, State of California, accepts the exercise of the Option to Ground Lease by Grass Valley PSH Associates, a California Limited Partnership, and approves a 99-year Ground Lease of 2.32 +/- acres of the County-owned real property located at 936 Old Tunnel Rd., Grass Valley, CA 95945, APN 035-400-054, by and between the County of Nevada and Grass Valley PSH Associates, a California Limited Partnership, in substantially the same form attached hereto, and authorizes the Chair of the Board of Supervisors to execute said Ground Lease Agreement on behalf of the County of Nevada.

BE IT FURTHER RESOLVED that the Board of Supervisors approves the Disposition and Development and Regulatory Agreement by and between the County of Nevada and Grass Valley PSH Associates, a California Limited Partnership, in substantially the same form as attached hereto, pertaining to the construction and operation of the Brunswick Commons Affordable Housing Project, and authorizes the Chair of the Board of Supervisors to execute said Agreement on behalf of Nevada County.

BE IT FURTHER RESOLVED that the Board of Supervisors hereby approves the Brunswick Commons Affordable Housing Project pursuant to the terms and conditions of the Ground Lease Agreement between the County and Grass Valley PSH Associates, a California Limited Partnership, the Development and Disposition and Regulatory Agreement by and between the County of Nevada and Grass Valley PSH Associates, a California Limited Partnership, and those Regulatory Agreements by and between Grass Valley PSH Associates, a California Limited Partnership, and the California Tax Credit Allocation Committee, and the No Place Like Home Program, pertaining to the Brunswick Commons Affordable Housing Project.