

Brunswick Commons Ground Lease and Project Update

- Mike Dent, Director Child Support, Collections, Housing and Community Services
- Gustavo Becerra, Executive Director, Regional Housing Authority (RHA)

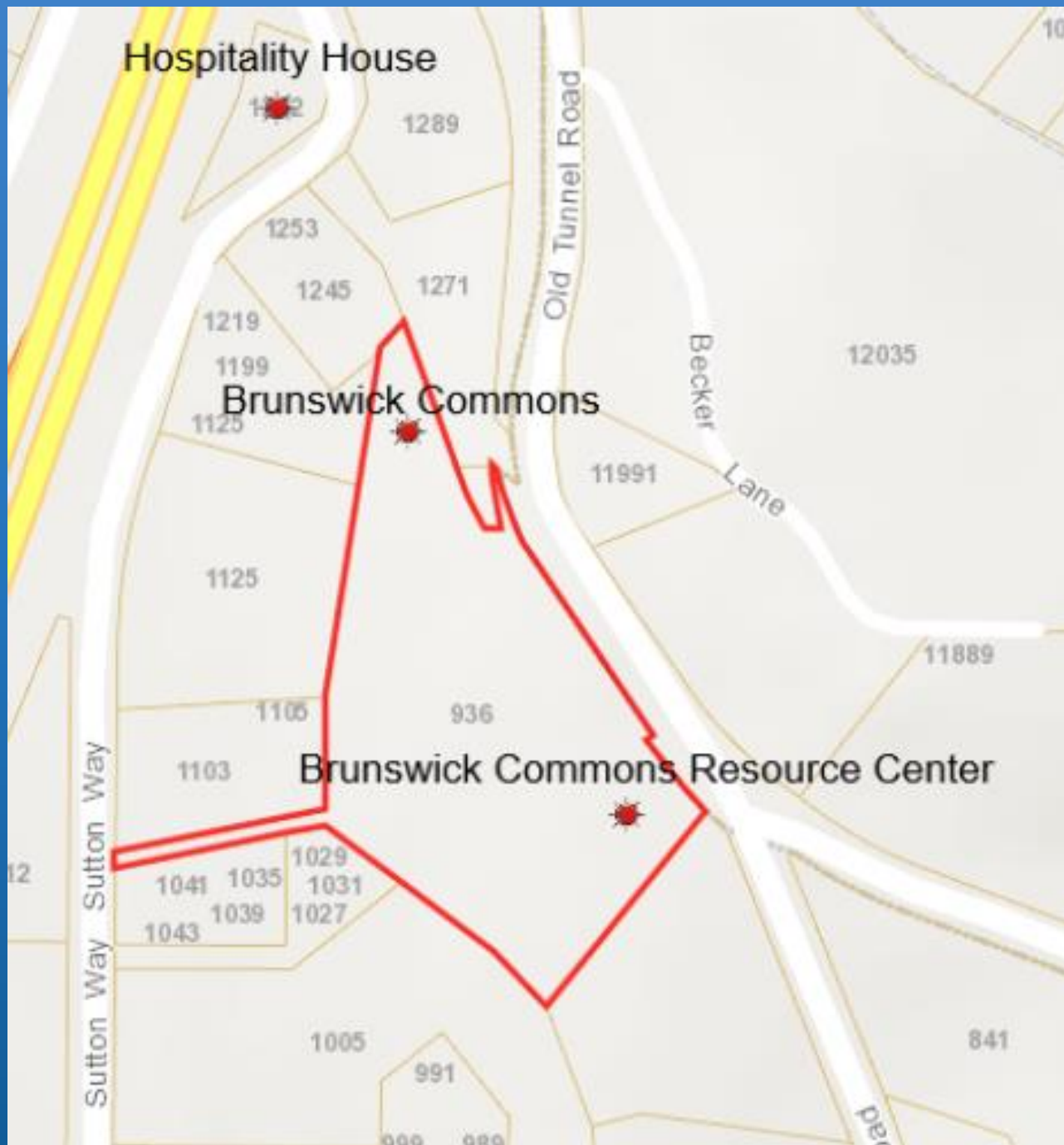
September 1, 2020



Ground Lease Agreement

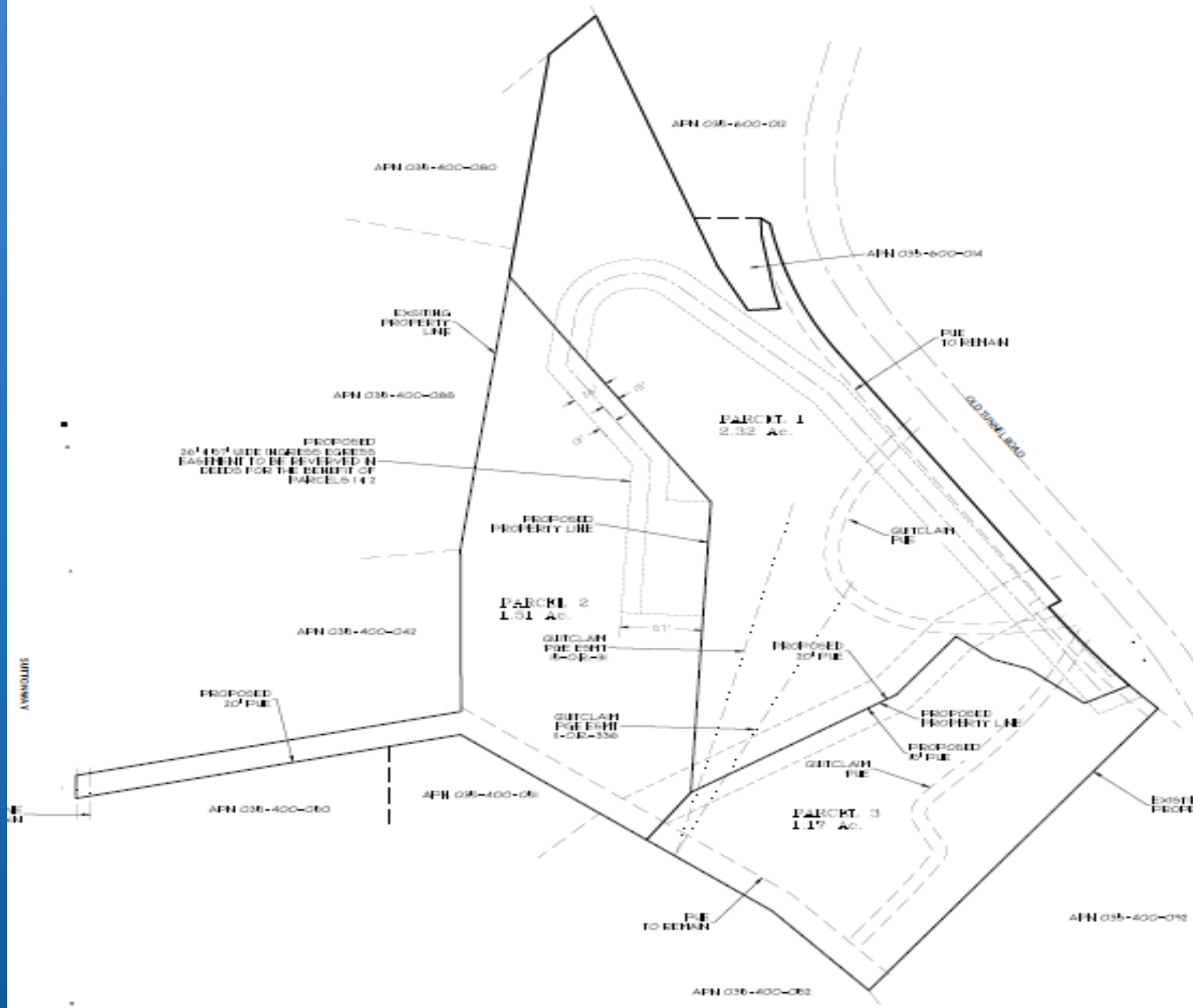
1. 5.0+/- acre parcel located at 936 Old Tunnel Road (APN# 035-400-054).
2. Agreement relates to 2.32+/- acres of parcel
3. Development partners: RHA and Pacific West Communities (Grass Valley PSH Associates, LP)
4. Term is 99-years @ \$1 per year
5. Must maintain affordability though term of lease





The location:

**936 Old Tunnel Road,
Grass Valley**



Better Together
NEVADA COUNTY

Disposition and Development Agreement

- Outlines acceptable uses of the property
- Requires developer to adhere to Tax Credit Allocation Committee and NPLH program requirements
- TCAC will oversee compliance for first 15 tax years following close of permanent financing

Brunswick Commons Project Update



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- 41-unit permanent supportive housing project (33 one-bedroom units, and 8 two-bedroom units)
- Of the 41-units, approximately 12 units will target homeless with a mental health disability, 28 units will target the general homeless population, 1 on-site Manager's unit
- Service providers: Nevada County Behavioral Health Department and Hospitality House
- Applicants who live and/or work in Nevada County will be given preference



Brunswick Commons

- Projected Timelines:
 - Low-Income Housing Tax Credit financing award was announced June 17, 2020
 - Close construction financing: December 2020
 - Begin construction: September 2020
 - Complete construction: October 2021 (weather permitting)
 - Residents move-in: October-November 2021
 - Close permanent financing: January 2022



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- Challenges:
 - Unexpected or higher than expected costs:
 - Timber Harvest Plan
 - National Fish & Wildlife Foundation
 - Retaining wall
 - Larger footprint
 - Capital Markets:
 - COVID-19 impact
 - Tax-credit equity rates

Brunswick Commons

- Progress Highlights:

- Tree and stump removal about 90% complete
- Civil Engineering and retaining wall plans (2nd submittal) under review by the City of Grass Valley
- Building plans submitted on July 8, 2020, and plan check comments from City received August 20, 2020
- Our team is ready to start Civil and retaining wall work as soon as we can obtain necessary approvals from City and County
- Adjacent 0.06 acres to the north of site in escrow, to be purchased to accommodate site design
- County awarded project a \$150,000 grant in February 2020
- Additional financing under consideration by HRCS



Ground Lease Agreement

- Questions from the Board

Actions:

- Consideration of accepting the exercise of the Option to Ground Lease by Developer and Authorize 99-year ground lease of 2.32+/- acres of parcel
- Approve Disposition and Development Agreement
- Approve the Brunswick Commons Affordable Housing Project pursuant to the Ground Lease terms

