

4a. Minutes of the August 18, 2021 Board Meeting

**MINUTES
MEETING OF THE BOARD OF DIRECTORS OF
THE TRUCKEE TAHOE WORKFORCE HOUSING AGENCY**

August 18, 2021, 8:30am

1. CALL TO ORDER: 8:31

Directors Present: Harry Weis, Tahoe Forest Hospital District
Kevin Smith, Truckee Tahoe Airport District
Steven Poncelet, Truckee Donner Public Utility District

Absent: Carmen Ghysels, Tahoe Truckee Unified School District

2. APPROVAL OF AGENDA

No changes made to the agenda.

3. PUBLIC COMMENT

No public comment.

4. CONSENT ITEMS

- a. Minutes of the July 21, 2021 Board Meeting
- b. Approval of June 2021 Financials
- c. Approval of Resolutions Requesting Membership – Nevada & Placer Counties
- d. Approval of Sub-lease for Office Space through the Truckee Tahoe Airport District

No public comment.

Motion to approve made by Director Poncelet. Seconded by Director Smith.

Ayes: Director Poncelet, Director Smith, Director Weis

Noes: None

5. REPORTS AND PRESENTATIONS

- a. 2020-21 Fiscal Year Budget Review
Ms. Vitas provided an update on the 2020-21 budget and shared learnings and areas of variance.
- b. Executive Director Report
Ms. Vitas provided an update on the agency's audit, progress on the onboarding of new member agencies, updates on agency programs and projects, community meetings and connections, and regional housing partner updates.

6. ITEMS FOR BOARD ACTION

- a. Consideration and Possible Approval of Long-term Rental Pilot Program
The board received a report on the proposed long-term rental pilot program, a revision of the housing match program that was launched in July, 2020. The board deliberated on the components of the program and chose to take no action, knowing that new member agencies would be joining soon and would want to contribute to the decision. The board asked that the program be brought back for proposed approval once the new member agencies have joined.

7. DIRECTOR COMMENTS

None.

8. ADJOURN: 9:52

Motion to approve made by Director Smith. Seconded by Director Poncelet.

Ayes: Director Poncelet, Director Smith, Director Weis

Noes: None

4b. July 2021 Financials

Truckee Tahoe Workforce Housing Agency
Budget vs. Actual: FY 2021_2022
 July 2021

	Jul 2021			YTD			FY 21-22 Budget
	Actual	Budget	Remaining	Actual	Budget	Remaining	
Income							
6100 Contribution Revenue							
6104 Government	272,636.00	400,000.00	127,364.00	272,636.00	400,000.00	127,364.00	400,000.00
Total 6100 Contribution Revenue	272,636.00	400,000.00	127,364.00	272,636.00	400,000.00	127,364.00	\$400,000.00
Total Income	272,636.00	400,000.00	127,364.00	272,636.00	400,000.00	127,364.00	\$400,000.00
Gross Profit	272,636.00	400,000.00	127,364.00	272,636.00	400,000.00	127,364.00	\$400,000.00
Expenses							
8000 Salaries & Benefits							
8010 Wages and Benefits	13,197.78	13,891.67	693.89	13,197.78	13,891.67	693.89	166,700.00
Total 8000 Salaries & Benefits	13,197.78	13,891.67	693.89	13,197.78	13,891.67	693.89	\$166,700.00
8100 Professional & Outsourced Svcs							
8110 Accounting & Audit	1,005.00	808.33	(196.67)	1,005.00	808.33	(196.67)	20,000.00
8115 Website Design	-	208.33	208.33	-	208.33	208.33	2,500.00
8130 Legal	1,309.00	2,083.33	774.33	1,309.00	2,083.33	774.33	25,000.00
8150 Other Professional Services	534.50	12,916.67	12,382.17	534.50	12,916.67	12,382.17	155,000.00
Total 8100 Professional & Outsourced Svcs	2,848.50	16,016.66	13,168.16	2,848.50	16,016.66	13,168.16	\$202,500.00
8200 Sales & Marketing_Community Outreach							
8220 Community Engagement / Business Development	-	125.00	125.00	-	125.00	125.00	1,500.00
8250 Other Sales & Marketing	-	291.67	291.67	-	291.67	291.67	3,500.00
Total 8200 Sales & Marketing_Community Outreach	-	416.67	416.67	-	416.67	416.67	\$5,000.00
8400 Facility Costs							
8460 Telephone & Internet		16.67	16.67	-	16.67	16.67	200
Total 8400 Facility Costs	-	16.67	16.67	-	16.67	16.67	\$200.00
8500 Other G&A							
8510 Office Supplies	-	83.33	83.33	-	83.33	83.33	1,000.00
8540 Office Equipment (non cap)	-	83.33	83.33	-	83.33	83.33	1,000.00
8550 Software & Subscription Svcs	209.90	183.33	(26.57)	209.90	183.33	(26.57)	2,200.00
8560 Dues & Subscriptions	-	58.33	58.33	-	58.33	58.33	700
8600 Bank Service Charges	15.95	25.00	9.05	15.95	25.00	9.05	300
8620 Insurance Expense	394.26	1,250.00	855.74	394.26	1,250.00	855.74	15,000.00
Total 8500 Other G&A	620.11	1,683.32	1,063.21	620.11	1,683.32	1,063.21	\$20,200.00
Total Expenses	16,666.39	32,024.99	15,358.60	16,666.39	32,024.99	15,358.60	\$394,600.00
Net Operating Income	255,969.61	367,975.01	112,005.40	255,969.61	367,975.01	112,005.40	\$5,400.00
Net Income	255,969.61	367,975.01	112,005.40	255,969.61	367,975.01	112,005.40	\$5,400.00

Monday, Sep 06, 2021 03:08:36 PM GMT-7 - Accrual Basis

Truckee Tahoe Workforce Housing Agency
Balance Sheet
As of July 31, 2021

	Total	
	As of Jul 31, 2021	As of Jul 31, 2020 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1001 US Bank Checking_6993	264,869.94	261,070.61
1002 US Bank Checking_6993_Excess Funds	97,469.30	-
Total 1001 US Bank Checking_6993	362,339.24	261,070.61
1072 Bill.com Money Out Clearing	-	-
Total Bank Accounts	362,339.24	261,070.61
Other Current Assets		
2600 Prepaid Expenses	4,336.94	-
Total Other Current Assets	4,336.94	-
Total Current Assets	366,676.18	261,070.61
Other Assets		
3300 Deposits	1,000.00	-
Total Other Assets	1,000.00	-
TOTAL ASSETS	367,676.18	261,070.61
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
4000 Accounts Payable (A/P)	14,090.28	28,926.11
Total Accounts Payable	14,090.28	28,926.11
Credit Cards		
4100 US Bank_Visa_7233	146.99	36.00
Total Credit Cards	146.99	36.00
Other Current Liabilities		
4205 Other Current Liabilities	-	-
Total Other Current Liabilities	-	-
Total Current Liabilities	14,237.27	28,962.11
Total Liabilities	14,237.27	28,962.11
Equity		
Retained Earnings	97,469.30	254,082.68
Net Income	255,969.61	(21,974.18)
Total Equity	353,438.91	232,108.50
TOTAL LIABILITIES AND EQUITY	367,676.18	261,070.61

5a. Executive Director Report

Meeting Date: September 15, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Executive Director Report

AGENCY OPERATIONS

Agency Audit

All materials have been submitted for the agency audit. The auditor has informed us they will be able to complete it this month.

New Member Agency Update

The requesting agencies will bring Resolution 2, agency agreement approval before their boards in late September. Due to our legal counsel's recommendation that agencies not be formally welcomed until their boards have approved Resolution 2, we have set their start date to October 1. I am meeting with each Agency to keep them updated on our progress and opportunities.

Each of our new member agencies have performed employee surveys to determine their agencies' needs. We have received the results from the Town of Truckee and Placer County's surveys and will combine with our own once Nevada County's survey results are in.

A new member checklist has been created to ensure that the new member process runs smoothly in the future.

2021-22 Board Retreat

With one year of operations behind us, and three member agencies joining in October, the board may choose to consider a board retreat to connect with our new board members, review the housing work plan, and refine our approach and pursuits.

TTWHA HOUSING PROGRAMS & PROJECT UPDATES

Housing Match and Long-term Rental Program

We continue to utilize the remaining funds from the housing match program while we develop our revised approach to long-term leasing. To date, we have housed 17 employees and their families (11 TFHD, 5 TTUSD, 1 TDPUD) through our partnership with Landing Locals.

The Long-term Rental Pilot Program was presented to the board at the August board meeting. The board requested that the program return for possible approval once the new member agencies have joined. Because the new member agencies will not join until October, the program will be presented to the board at the October 20, 2021 board meeting.

Down Payment Assistance Program

The down payment assistance program is being drafted and will be brought to the board in October. The program will be an 'opt-in' program, allowing member agencies to choose whether they will participate. Participation will likely require opt-in agencies to either determine on an annual basis how many loans they would like to fund, or provide a lump-sum funding amount up front that will fund loans in perpetuity. See Item 6b of the board packet for further details on program progress.

Land Mapping Exercise

We have received cut sheets for the top 8 parcels on our land mapping matrix (see attached). The board's requested next step is to connect with our entitlement agencies and use the cut sheets to engage in

conversation around opportunities on the proposed parcels. Our new member agencies will also have available parcels that we'll add to the matrix for consideration.

Soaring Ranch Master Leasing Opportunity

In July we submitted a Letter of Intent to JMA Ventures, LLC proposing terms for a master leasing agreement between TTWHA and JMA. JMA has responded with questions around the agreement terms and we are working to address these items. The development is set to break ground in Spring 2022, with a completion date of late 2022 / early 2023.

COMMUNITY ENGAGEMENT

The following list includes those that I have met, and community meetings I've attended, since our last board meeting. Please let me know if you'd like further information on any of these connections.

Community Meetings and Presentations

Meetings:

Allen Campfield Nelson, Agnew Beck – TTWHA Agency Needs
Chad Phillips, TM Construction + Rising Ventures – Master Leasing Opportunity, Kings Beach
David Polivy, Town of Truckee – Check-in
Emily Setzer, Placer County – Monthly Check-in
Heidi Allstead, Martis Fund – Monthly Check-in
Jen Callaway, Town of Truckee – Check-in
Laura Brown, Excellence in Education – Partnership Opportunities
Luke Watkins, Neighborhood Partners, LLC – USFS Site Walk
Nevada County Staff – New Member Check-in
Seana Doherty, Town of Truckee – Monthly Check-in
Shawna Purvines, Placer County – Monthly Check-in
Walter Auerbach, Auerbach Engineering – TTWHA Land Survey
Wendy Sullivan, WSW Consulting – Workforce Housing Development

Events/Gatherings:

MHC Community Meeting: Regional Housing Implementation Plan
Town of Truckee: Affordable Housing Meeting

REGIONAL HOUSING UPDATE

The following is not a comprehensive list of regional housing activities, rather an overview of updates that have been gathered through meetings over the previous month/s.

Mountain Housing Council

- The Housing Council is preparing to host two virtual meetings, where the Regional Housing Implementation Plan (RHIP) consultants will share the data gathered from the 2021 update of the 2016 Truckee North Tahoe Regional Workforce Housing Needs Assessment and community workforce housing survey as well as lay out an innovative plan to create more housing in the region.
 - o The first meeting was on Aug. 25th and included an overview of the RHIP, presentations on the assessment update and survey results, and updates on next steps.
 - o The second meeting on Sept. 30th will present the regional housing implementation plan and lay out an innovative plan for the Mountain Housing Council.

Placer County

- Moratorium on Short-term Rentals (STRs): The 45-day moratorium to determine the impact short-term rentals have on Eastern Placer County and how they may be contributing to the existing housing crisis was extended to March, 2022. During that time staff will be conducting analysis on STR impacts and will return with a recommendation to the Board of Supervisors.
- Consideration of a Long-term Rental Grant Program: The Board has chosen not to pursue a long-term rental grant program, similar to the Town's current program, for North Lake Tahoe. The Board has expressed interest in placing their capacity in areas that will produce long-term / permanent results, such as housing development and the Workforce Housing Preservation Program.
- Workforce Housing Preservation Program: Launched in July, 2021, the program has received 7 partial applications and one complete application, with the home currently in escrow. We are working with County staff to understand how a proposed TTWHA Down Payment Assistance Program can complement this program.

Town of Truckee

- The long-term rental grant program has provided access to 26 homes since its start in October 2020. The recent update to the program, increasing incentives and allowing more unit types, including bedrooms, has increased homeowner interest.
- Working on a Below-Market Rate housing program, which will allow the town to purchase, deed-restrict, and sell homes in addition to providing incentives to home owners and buyers to deed restrict their homes. The Town is currently working with a consultant to research / develop the program.

DEVELOPER CONNECTIONS AND HOUSING PROJECT UPDATES

Kings Beach Tiny Home Village

The new owner of a trailer park on Trout Avenue in Kings Beach reached out to explore a potential master leasing partnership with TTWHA. The parcel is currently home to a number of mobile homes and long-term residents. The property owners plan is to place ~15-20 tiny homes on the property and work with local employers to offer seasonal and/or long-term leases. Ted Owens and I walked the site on September 6 to gauge progress and potential member agency interest. Due to the current timeline and progress, we determined that the opportunity should be tracked but that there is not potential for a board ask currently. We will continue to engage with the property owner as they progress in their work.

ATTACHMENTS

2021-25 TTWHA Housing Work Plan

TTWHA New Member Onboarding Checklist

TTWHA Land Mapping Exercise Matrix – Final 8 Sites

TTWHA Opportunity Tracker

TTWHA Housing Work Plan 2021-25

FOCUS AREAS	1. Lease/Develop Workforce Housing 2. Expand Housing Programs and Services 3. Develop Non-housing-related Programs to Ease the Burden of Housing Costs	TARGETS	Year	Employees Served %	# Served
			2021	1.00%	17
			2022	1.50%	25
			2023	2.50%	42
			2024	5.00%	83
			2025	10.00%	167
			Total	0.20	333

Activity	Goal	Timeframe	Status Towards Targets (5/21/21)	Lead/Support	% of Staff Time	2021-22 Budget
Focus Area 1: Lease/Develop Workforce Housing - 40%						
Development of Workforce Housing	Develop housing on member agency-owned land	January Start First project under const. Dec 2025		ED / Member Agency Ad-hoc	20	\$75,000.00
Master Leasing Program	Secure member agency-leased units to increase access and affordability for employees	March Start Program launch September 2021		ED / Agency Staff / Regional Partners	20	Agency Opt-in
Short-term Housing	Master lease units for emergency / new hire needs	See Master Leasing		ED	5	-
Focus Area 2: Expand Housing Programs and Services - 40%						
Employee Concierge for Housing	Support employees in their search for housing	Ongoing Hire PT support staff late 2021	80 employees served	ED / Support Staff	10	Staff Time
Unlock Existing Units	Unlock existing units for long-term lease through incentives and programs	Ongoing Launched July 1, 2020	15 Placements	ED / Landing Locals	5	\$75,000.00
Pathway to Ownership	Increase # of employees buying homes in the region through education and funding	April Start	1 Purchase	ED / Realtors/Lenders	10	-
Education + Outreach						\$5,000.00
Down Payment Assistance						Agency Opt-in
Loan Products						TBD
Existing Homeowner Support	Provide education/tools to existing homeowners to upgrade their homes	May Start		ED / TDPUD	5	Staff Time
Reduce Insurance Barriers / Expenses	Provide insurance access and affordability by combining member agency resources	March Start		Member Agencies / ED	5	Agency-led
Focus Area 3: Develop Non-housing Related Programs to Ease Burden of Employee Housing Costs - 20%						
Transit-related Incentives and Education	Increase awareness and education around transit opportunities for employees	August Start		Member Agencies / ED	10	Agency-led
Child-care Partnerships and Offerings	Explore resource-sharing to increase child-care access / affordability	October Start		Member Agencies / ED	10	Agency-led
						\$155,000.00

*# of Employees Served = Employees that were able to access housing and/or housing programs through agency support / offerings

TTWHA NEW MEMBER ONBOARDING CHECKLIST

- Invitation Letter from TTWHA
- New Member Intro Call (Scheduled by TTWHA Staff)
- Resolution 1 Approved by Requesting Agency's Board
- Resolution 1 Submission by Requesting Agency Approved by TTWHA Board
- Resolution 2 Approved by Requesting Agency's Board
- Resolution 2 Submission by Requesting Agency Approved by TTWHA Board
- TTWHA Agency Agreement Signed by New Member Agency
- Formal New Member Start Date Established
- New Member Agency Board Representatives Determined: Primary and Secondary
- Before First Official Board Meeting: Meet with Executive Director to Review Work Plans and Current Housing Efforts + Priorities
- TTWHA Invoice Sent for New Member Fees
- Primary and Secondary Representatives: Submit Form 700 and Complete Ethics Training

TTWHA Member Agency Land Mapping Exercise

AGENCY	MAP REFERENCE (INDIVIDUAL AGENCY MAPS)	DEVELOPMENT OPPORTUNITY	APN	STREET ADDRESS	ACREAGE (>5 = green)	ZONING (multi-family = green)	DEVELOPED	JURISDICTION
TDPUD	9	YES	19-620-034-000	UNKNOWN ADDRESS	4.81	RR-X	NO	TOWN OF TRUCKEE
TDPUD COMBINE 027/028/029	1	YES - STEEP SLOPES	19-400- 027/028/029-000	PIONEER	73.02	M, RS-0.50	NO-UTILITY	TOWN OF TRUCKEE
TDPUD	5	YES - STEEP SLOPES	19-300-017-000	N/A	6.74	PF	NO	TOWN OF TRUCKEE
TFHD	3	YES	019-460-042-000	10161 LEVON AVENUE	5.52	RM-18	NO	TOWN OF TRUCKEE
TFHD	1	YES - SLOPE RESTRICTIONS	018-570-058-000	11046 DONNER PASS ROAD	11.21	CG, RS-0.5	YES	TOWN OF TRUCKEE
TFHD	4	YES - SLOPE RESTRICTIONS	019-460-022-000	10850 DONNER PASS ROAD	3	CG	NO	TOWN OF TRUCKEE
TTUSD	8	YES	112-010-004-000	DONNER ROAD	10.3186	RECREATION	YES	PLACER COUNTY
TTUSD	4	TBD	019-410-027-000	ALDER DRIVE	16.34	TOWN OF TRUCKEE	YES-SCHOOL	TOWN OF TRUCKEE

TTWHA Opportunity Tracker

Opportunity	TTWHA Status	Project Name	Location	Development Details	Development Status	Housing Affordability	Developer	Owner/ Manager	Contact Name	Notes
Development										
Develop	Land Study Map complete - Auerbach Engineering Site Walks: Rick Holliday, Dan Fraiman, Luke Watkins	USFS Land	Truckee	Workforce Housing Development				USFS	Jonathan Cook Fisher	
Member Agency Parcels	Land mapping exercise complete Meeting with entitlement agencies		Various	Workforce Housing Development						
Master Lease										
	Negotiations in progress	Soaring Ranch	Truckee	69 units - multi-family	Application Approved	61 market-rate 8 low income	JMA Ventures		Art Chapman	
	Preparing board ask	Silver Creek	Truckee	40 units - 6 inclusionary	Application Submitted Securing Financing	34 180% AMI 6 inclusionary	Reza Shera		Reza Shera	
For-Purchase Product										
Employee purchase JPA Partnership	In contact	Brockway Rd Site	Truckee	TBD - 60-90 For-sale units	Planning stages	TBD	Chris Romero		Chris Romero	
Employee purchase	In contact	Hopkins Village	Truckee	40 townhomes - for-sale \$575,000	2 units complete	180% AMI	Dan Fraiman		Dan Fraiman	
Involvement TBD										
	Receiving updates via Placer County Staff	Dollar Creek Crossing	Tahoe City	TBD	Feasibility Study Underway	TBD		Placer County	Shawna Purvines Emily Setzer	
	Connected - Site Walk Fall 2020	Workforce Housing Units	Kings Beach	26 units	Existing units, currently leased	TBD		John Radebold	John Radebold	Meet 6/19
	Connected	Workforce Housing	Kings Beach	TBD	Securing financing	TBD			Reza Shera	Circle back in September
	Connected	Jilbloom Street	Truckee	83 units mixed - for-sale and rent	Application Pending	Mixed income levels				
	Connected - Site Walk 9/8/21	Trout Ave Tiny Homes	Kings Beach	15-20 Tiny Home Units (199 - 1200sf)	Tiny Home Placement Oct 21	Market-rate			Steven Prescott	
	Need to connect with owner	Hilltop Property	Truckee	TBD - Land Available				Alle Redford	Patty Baird	99-year lease / Community Land Trust
Affordable Housing										
	Connected	Coldstream Commons	Truckee	48 units	Near Complete	Low-income	Neighborhood Partners LLC		Luke Watkins	Cannot be master leased
	Connected	Meadowview Place	Truckee	56 units	Near Complete	Low-income	Neighborhood Partners LLC		Luke Watkins	Cannot be master leased
	Connected	Frisman Hollow II	Truckee	78 units	Under construction	Low-income	Pacific Group		Seana Doherty	Cannot be master leased
	Connected	Truckee Artist Lofts	Truckee	77 units	Complete	Low-income	CFY Development		Seana Doherty	Cannot be master leased
Non-pursuit										
	Declined: Deed restriction wouldn't allow for master lease	Donner Lake 6	Truckee	TBD	Securing financing	TBD			Reza Shera	Circle back in September
	Pass: Market-rate for-sale product	Elements at Coldstream	Truckee	TBD	Under construction	Market-rate		BUILT - Investor Group	Clint Stitser	Circle back in September

6a. Development Opportunity on US Forest Service Land

Meeting Date: September 15, 2021
Prepared By: Emily Vitas, Executive Director
Regarding: Discuss Ongoing Housing Opportunity with the United States Forest Service

BOARD REQUEST:

Provide feedback on the latest activities related to a potential development on United States Forest Service land, and consider next steps for the proposed pursuit.

BACKGROUND:

In May 2021, we connected with United States Forest Service (USFS) Truckee Ranger District staff regarding a development opportunity on their land. The parcel, located near the existing Forest Service’s Truckee District station, is roughly 25 acres. The agreement would include a land lease to the TTWHA, with the inclusion of units for USFS’ Truckee Ranger District personnel.

On June 25, TTWHA board members and staff and Town Manager Jen Callaway participated in a meeting with USFS staff to further discuss the opportunity. The tasks from that meeting included: determining the administrative designation on the land (USFS); pursuing a land survey (TTWHA); conducting site walks on the parcel to understand the opportunity (TTWHA), and to continue conversations on the potential acquisition of the second parcel, located across HWY 267 (USFS, Airport, Land Trust).

Since then, we have conducted three site walks with local developers to consider the opportunity and seek guidance on next steps. Through these conversations, we have been advised to consider the following:

- Conduct a land survey to understand boundaries and site concerns – *complete*
- Secure historical studies (traffic, soil, archeologic) of the land to understand previous findings that may be of interest for this proposed development – *underway*
- Understand our employees’ needs (area median income, interest in for-rent product) and preferred livings arrangements (number of bedrooms, type of housing unit) – *gathered through the 2020 Employee Housing Needs Assessment. Further surveys and outreach will need to be conducted to confirm needs/interest*
- Consider funding the development and owning the product vs. working with a developer who can finance the project and master lease it back to TTWHA for the life of the land lease (30 years)
- Consider creation of a Request for Proposals for development concepts as a next step

A ‘lite’ land survey (‘Study Map’) was completed by Auerbach Engineering in September, 2021. The survey was completed pro-bono due to their current work at District Station 90 next to the parcel, and support of TTWHA.

The project negotiation ad-hoc committee and agency staff will be meeting with USFS staff on September 14 to provide updates on progress and determine next steps. A verbal update from this meeting will be provided at the board meeting on September 15.

SAMPLE MOTIONS

This is a discussion item only – no action is required.

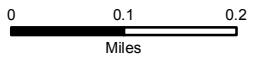
ATTACHMENTS:

Forest Service Site Map
Site Study Map

Truckee Parcels

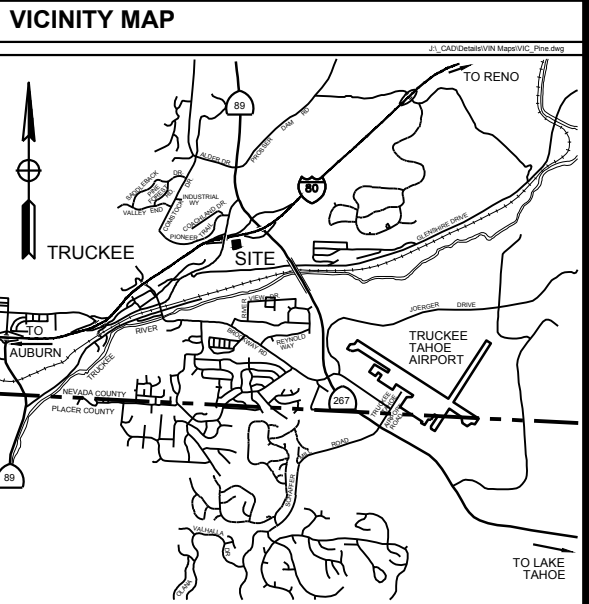
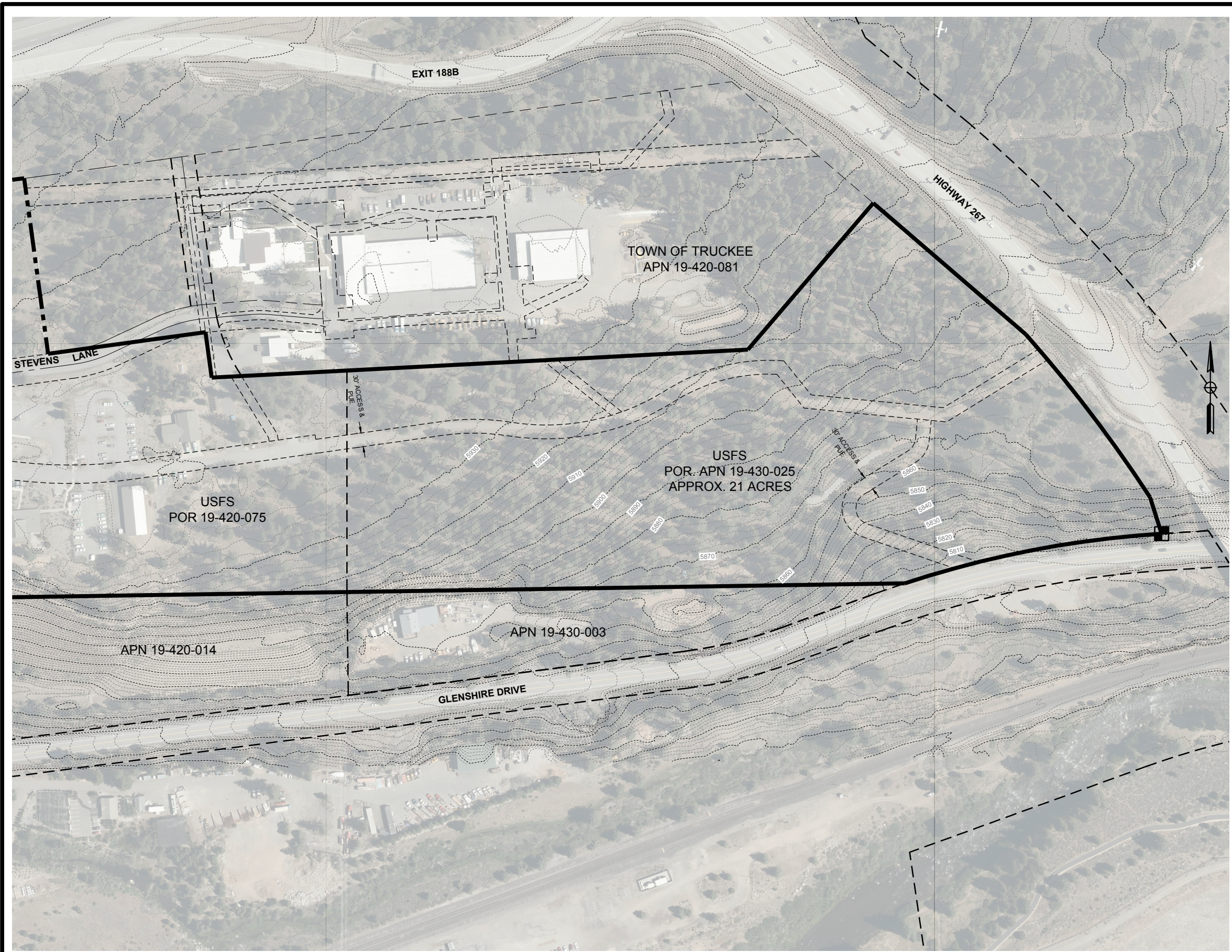
Legend

- Admin_parcels
- Prior FSFREA Conveyance
- Powerlines
- Pipeline/Petroleum
- California National Historic Trail
- Wetland (Approx. 2 acres)

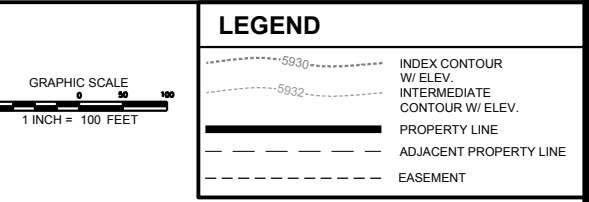


Vicinity Map





- SURVEY NOTES**
1. THE BOUNDARY SHOWN HEREON IS FROM PARCEL MAP; BOOK 21 AT PAGE 01.
 2. NO INVESTIGATION CONCERNING ENVIRONMENTAL & SUBSURFACE CONDITIONS, OR THE EXISTENCE OF UNDERGROUND OR OVERHEAD CONTAINERS OR FACILITIES WHICH MAY AFFECT THE USE OR DEVELOPMENT OF THIS PROPERTY WAS MADE AS A PART OF THIS SURVEY.
 3. NO EXTENSIVE INVESTIGATION CONCERNING THE LOCATION OF OR EXISTENCE OF UTILITY SERVICE LINES TO THIS PROPERTY WAS MADE AS A PART OF THIS SURVEY.
 4. ALL INCLUDED UTILITY LOCATIONS SHOULD BE FIELD VERIFIED PRIOR TO ANY DESIGN OR CONSTRUCTION.
 5. ALL TREE LOCATIONS SHOULD BE FIELD VERIFIED PRIOR TO ANY DESIGN OR CONSTRUCTION DUE TO LEANING OR SPECIMEN TREES.
 6. CONTOURS ARE FROM LIDAR, 2016.
 7. THE TOPOGRAPHY SHOWN HEREON MEETS THE STANDARDS OF THE AMERICAN CONGRESS OF SURVEYING & MAPPING WITH 90% OF THE CONTOURS TO BE WITHIN PLUS OR MINUS ONE HALF OF A CONTOUR INTERVAL.
 8. VERTICAL DATUM IS NAVD88.



STUDY MAP
FOR THE
TRUCKEE TAHOE
WORKFORCE HOUSING AGENCY



O:\Marketing\PROPOSAL\SI\Workforce Housing Agency\Base Map\1976_12_BaseMap.dwg

6b. Creation of a Down Payment Assistance Program

Meeting Date: September 15, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Discuss the Creation of a Down Payment Assistance Program

BOARD REQUEST:

Provide feedback on a potential down payment assistance program, funded individually by member agencies for their employees.

BACKGROUND:

The July 2020 Employee Housing Needs Survey Report showed down payment assistance as one of the top three offerings requested by employees. As a result, a down payment assistance program was included as an area of pursuit in the 5-year Housing Work Plan. In July 2021 staff started research and planning for a potential program for member agencies to participate in. It is important that the program take in to account the efforts already going on in the region.

There are a few programs throughout the region that provide down payment assistance to locals purchasing housing. The Martis Fund's Down Payment Assistance Program is the most traditional (a loan product with no deed restriction). Placer County has recently launched their Workforce Housing Preservation Program, which allows the County to purchase a deed restriction on the home ensuring it will be sold to a locally employed individual/s. Additionally, the Town of Truckee is currently researching a Below Market Rate program that may 1) purchase homes, deed restrict them, and sell them to locals at a reduced rate and 2) pay existing homeowners to deed restrict their homes. We have been notified that Martis Camp's program will likely shift to include a deed restriction on the home, and may also include an appreciation cap to keep the cost of homes lower for local resale.

Each of these programs have restrictions and requirements that may not be in line with the needs of many of our member agency employees. Existing programs have Area Median Income (AMI) caps, jurisdictional boundaries, and/or deed restriction requirements. Additionally, deed restriction programs provide funds that do not require repayment. If our members want to fund loans beyond the first cycle, it is important that we consider a product that requires repayment upon sale of the home. It is important to note that a down payment assistance program can be 'layered on' to the other programs in the community.

While staff conducts research and finalizes the draft of a down payment assistance program, it is important that member agencies consider their interest in participation and provide feedback on the type of program that would best suit their agency and employees.

Board discussion items to support program development:

- Income / AMI caps: to include or not
- Deed restrictions: Consider local resale requirement, or none
- Program format: how do member agencies participate

MOTION:

This item is for discussion only, no action required.

ATTACHMENTS:

Homebuyer Assistance Programs Research
Martis Fund Down Payment Assistance Program Outline
Placer County Workforce Housing Preservation Program Guidelines

Home Buyer Assistance Programs

PROGRAM	Martis Fund Down Payment Assistance Program	San Mateo County Employee Down Payment Assistance Program	Eagle County, CO Down Payment Assistance Program	Placer County Workforce Housing Preservation Program	Mammoth Community Water District Employee Home Purchase Assistance Program
FUNDING SOURCE	Martis Fund	San Mateo County	Eagle County	Placer County, TBID (currently) Opportunity for program to expand to include other funders	Mammoth Community Water District New Enterprise Fund
ADMINISTERED BY	Sierra Business Council	San Mateo County	Valley Home Store	Placer County	Water District
ADMINISTRATION FEE	\$2,000 per loan	Staff Time	TBD	Staff Time	Staff Time
PROGRAM STRUCTURE	Traditional DPAP	Traditional DPAP	Traditional DPAP	Deed Restriction	(1) Shared Value Program: District contributes up to 50% of the purchase price and share the appreciation in value upon sale (2) Subordinate Loan Program: District lends up to 35% of the purchase price through a loan
AMI CAP	180%	NA	160%	245%	NA
LOAN TERMS	Principal + compound interest deferred payment. DP loan is length of primary loan.	The loan is deferred for the first five years, amortized for 30 years at 3% interest	15-year or upon home sale/refinance Loans paid in full within 24 months will include loan principal only	NA – this is not a loan product, but the purchase of a deed restriction on the home. The dollars do not need to be paid back.	Shared Value: shared appreciation, not a loan. Subordinate loan: 15-year, variable interest
INTEREST RATE	Interest rate is 3% per year compounded annually.	3%	Loan principal plus a share of appreciation (if any) based upon the percentage of the down payment loan to the original purchase price. For example, if a program loan represents 3.5% of original purchase price, the borrower would repay the original principal balance plus 3.5% of the equity gain at the time of loan repayment.	NA	Shared Value: No interest. Employee shares appreciation realized upon sale. Subordinate Loan Program:

LOAN AMOUNT	10% of home purchase price or \$50,000, whichever is less	\$100,000 loan \$5,000 grant to help cover moving/closing costs for those moving to the County	5% of home purchase price, max \$37,500	Dependent on buyer circumstance, home price, etc.	Shared Value Program: 50% / \$500,000 max Subordinate loan: 35% of home price up to \$500,000
MAXIMUM HOME SALE PRICE	NA	\$1,500,000	\$750,000	NA	NA
APPLICANT ELIGIBILITY	One member of applicant's family must be employed within TTUSD boundaries and contributing over 50% of household income	A minimum of 18 months of full-time employment with San Mateo County or San Mateo County Housing Authority is required	Must earn 75% or income and work min of 30 hrs/wk in Eagle County	One member of applicant's family must be employed within TTUSD boundaries 30+ hours/week. Must not have owned home in past 12 months	Full-time permanent employees employed for more than 12 months. Newer employees are considered (recruiting tool) on a case by case basis.
BORROWER INVESTMENT	3% of total purchase price + closing costs	3% of total purchase price	Contribute 1% of purchase price, or 50% of DPA loan amount	NA	5% of purchase price as down payment
EDUCATION REQUIREMENTS	NA	Lunch + Learn seminars for the program – attendance recommended	Homebuyer training	NA	NA
DEED RESTRICTION REQUIREMENT	None – transitioning to locals deed restriction in 2022	NA	None	The home must be sold to a local resident, with a per-year cap on appreciation.	NA
PROGRAM SUCCESSES	\$2.2M+ in assistance 53 loans		\$8M in assistance 660+ loans	7 applicants as of 9/8/2021	
MISC		5 loans per quarter, via a drawing, while funds are available (employees have 6 months from the drawing to find a home) https://housing.smcgov.org/employee-down-payment-assistance-program	https://www.housingeaglecounty.com/bold-housing-moves Program Guidelines	https://www.placer.ca.gov/7130/Workforce-Housing-Preservation-Program	District has first right of refusal to buy the home when the employee chooses to sell it.

MARTIS FUND DOWN PAYMENT ASSISTANCE PROGRAM

Administered by

SIERRA BUSINESS COUNCIL

Program Guidelines

August 2018

MARTIS FUND DOWN PAYMENT ASSISTANCE PROGRAM GUIDELINES

1. GENERAL

The Sierra Business Council (“Program Operator”) is administering a down payment assistance program (the "Program") funded by The Martis Fund. The Program is designed to provide assistance to eligible homebuyers (described in Section 2) in purchasing homes, also referred to herein as "housing units", located within the Program's eligible area, as described in Section 3.1. The Program provides this assistance in the form of deferred payment second priority loans toward the purchase price and closing costs of housing units that will be occupied by the homebuyers. The loans supplement traditional financing provided by the primary lender for the home.

1.1 PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation be excluded, denied benefits or subjected to discrimination under the Program. The Program Operator will ensure that all persons, including those qualified individuals with handicaps have access to the Program.

1.1.1 The Fair Housing Lender logo will be placed on all outreach materials. Fair housing marketing actions will be based upon a characteristic analysis comparison (census data may be used) of the Program's eligible area compared to the ethnicity of the population served by the Program (includes, separately, all applications given out and those receiving assistance) and an explanation of any underserved segments of the population. Affirmative marketing information is used to show that protected classes (age, gender, ethnicity, race, and disability) are not being excluded from the Program. Flyers or other outreach materials, in English and any other language that is the primary language of a significant portion of the area residents, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program shall sponsor homebuyer classes to help educate homebuyers about the home buying process and future responsibilities. Persons who have participated in local homebuyer seminars will be notified about the Program.

1.1.2 The Program Operator will work closely with local real estate agents and primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes. Local real estate agents and primary lenders will also be encouraged to have their customers participate in the Program.

1.2 APPLICATION PROCESS AND SELECTION

- 1.2.1** Applicants must satisfy the Applicant Qualifications set forth in Section 2, below, and the housing unit to be financed must meet the housing unit eligibility requirements set forth in Section 3, below. Applications will be processed on a first-come- first-served basis. Only completed applications will be considered. Applications are only deemed complete if all information is completed, the application is signed and dated, a primary lender's pre-approval letter, and either (i) an executed purchase agreement for an eligible property (contingent on financing and seller acknowledgement of Program down payment assistance) and all required documentation is attached to the application or (ii) a pre-qualification request is attached to the application. Lenders will be notified of incomplete applications and no further processing will occur until entire application is complete. Pre-qualification is valid for 90 days subject to availability of funds at the time an executed purchase agreement for an eligible property (contingent on financing) and all required documentation is submitted.
- 1.2.2** Applications are considered received upon arrival in the U.S. Mail delivered to Sierra Business Council, P.O. Box 2428, Truckee, CA 96160, or via e-mail delivered to kyork@sierrabusiness.org. Should multiple applications arrive on the same date the order of applications shall be determined by a chance drawing. Applications received when no funding is available will be returned.
- 1.2.3** Only the homebuyer may apply for participation in the Program. All references in these Guidelines to “Applicant” are references to the homebuyer.

1.3 THE HOME PURCHASE PROCESS

- 1.3.1** The housing unit selection process will be conducted by the homebuyer. The Applicant shall submit an executed standard form purchase and sale agreement and the primary lender prequalification letter to Program Operator. The purchase and sale agreement will be contingent on the housing unit meeting Program eligibility requirements and, for homebuyers that have not been prequalified by Program Operator, homebuyer receiving Program loan approval. Program Operator verifies applicant eligibility, housing unit and loan eligibility and amount of assistance to be provided consistent with these Guidelines.
- 1.3.2** Program Operator will provide written notification to Applicant of approval or denial with reason.

- 1.3.3 When the primary lender's requirements are met. Program funds will be deposited into escrow, with required closing instructions and loan documents.
- 1.3.4 At the time of escrow closing, the Program Operator shall be named as an additional loss payee on fire, flood, if required, and extended coverage insurance for the length of the loan and in an amount sufficient to cover all encumbrances or full replacement cost of the housing unit.

1.4 HOMEBUYER COSTS

- 1.4.1 Eligible households must document that they have the funds necessary for down payment and closing costs as required by the primary lender and the Program. The Program's minimum contribution requirement (below) is in place even if the primary lender has a lower down payment requirement.
- 1.4.2 Homebuyer funds shall be used for at least three percent of the total of the purchase price plus closing costs.

1.5 CONFLICT OF INTEREST REQUIREMENTS

No member of the Program Operator's Board of Directors and no official, employee or agent of the Program Operator who exercises policy or decision-making responsibilities in connection with the planning and implementation of the Program shall directly or indirectly be eligible for this Program. Exceptions to this policy can be made only after review and approval by the Board of Directors of the Martis Fund.

1.6 NON-DISCRIMINATION REQUIREMENTS

The Program will be implemented in ways consistent with the Program Operator's commitment to non-discrimination. No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any program or activity on the basis of his or her religion or religious affiliation, age, race, color, creed, gender, sexual orientation, marital status, familial status (children), physical or mental disability, national origin, or ancestry, or other arbitrary cause.

2. APPLICANT QUALIFICATIONS

2.1 EMPLOYMENT IN THE PROJECT AREA.

At least one member of the applicant's family must be employed within the eligible area and employment in the eligible area must provide at least 51% of household income. The eligible area is described as follows: within either (1) the unincorporated area of Placer County east of Donner Summit or (2) the Town of Truckee.

2.2 CURRENT INCOME LIMITS FOR THE AREA

All applicants must certify that they meet the following household income eligibility requirements and have their household income documented. The income limits in place at the time of loan approval will apply when determining applicant income eligibility. All applicants must have incomes at or below 180% of Placer County's area median income (AMI) based on household size, as published by the Department of Housing and Community Development (HCD) each year. For example, in 2018 the income limit for a four person household is \$144,180 (based on the 2018 Placer County AMI of \$80,100).

Annual Income: This is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period, subject to the exemptions allowed in the "Technical Guide for Determining Income and Allowances for the HOME Program, Third Edition, 2005, Part 5, Section VIII".

2.3 INCOME QUALIFICATION CRITERIA

Projected annual gross income of the applicant household will be used to determine whether they are above or below the income limit. Income qualification criteria, as shown in the most recent HCD guidance for the HOME Program administered by Program Operator, will be followed to independently determine and certify the household's annual gross income. The Program Operator will compare this annual gross income to the income the primary lender used when qualifying the household. The primary lender is usually underwriting to FHA or conventional guidelines and may not calculate the household income or assets in the same way as required by the Program. Income will be verified by reviewing and documenting tax returns, copies of wage receipts, subsidy checks, bank statements and third party verification of employment forms sent to employers. All documentation shall be dated within six months prior to loan closing and kept in the applicant file and held in strict confidence.

Program Operator will utilize HCD's Income Calculation and Determination Guide for Federal Programs, or subsequent Department publications as a best management practices guide for exerting due diligence in establishing household income, zero income declarations and ensuring third party verifications are obtained. See <http://www.hcd.ca.gov/fa/cdbg/GuideFedPrograms.html>

2.3.1 HOUSEHOLD INCOME DEFINITION:

Household income is the annual gross income of all household members with the exception of foster children and foster adults that is projected to be received during the coming 12- month period, and will be used to determine program eligibility. For those types of income counted, gross amounts (before any deductions have been taken) are used; and the types of income that are not considered would be income of minors or live-in aides. Certain other household members living apart from the household also require special consideration subject to the exemptions allowed in the "Technical Guide for Determining

Income and Allowances for the HOME Program, Third Edition, 2005". The household's projected ability to pay must be used, rather than past earnings, when calculating income. The link to Annual Income Inclusions and Exclusions is:

<http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.3/43503e5-1HSGH.pdf>

NOTE: Non-occupant co-signers will not be required to submit income and asset documentation. Co-signers income will not be included in the household income determination. Co-signers are acceptable as long as their names do not appear on the Grant Deed or Deed of Trust.

2.3.2 ASSETS:

Applicants with non retirement assets that will not be used for purchase of the home in excess of one half the Applicant's household's annual income are not eligible for the program. Income from assets is recognized as part of annual income under the Part 5 definition. An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. *(Note: it is the income earned - e.g. interest on a saving's account - not the asset value, which is counted in annual income.)*

An asset's cash value is the market value less reasonable expenses required to convert the asset to cash, including: Penalties or fees for converting financial holdings and costs for selling real property. The cash value (rather than the market value) of an item is counted as an asset. Note that the homebuyer may not be on title to real property as noted in Section 2.4 below.

The Link to Asset Inclusions and Exclusions is:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/training/web/calculator/definitions/treatment/inclusions

2.4 DEFINITION OF AN ELIGIBLE HOMEBUYER

An eligible homebuyer means an individual or individuals or an individual and his or her spouse who meets the income eligibility requirements and is/are not currently and have not within the last twelve months been on title to real property or on title of a manufactured home unit. Documentation that the homebuyer satisfies these requirements will be required for all homebuyers.

3. HOUSING UNIT ELIGIBILITY

3.1 LOCATION AND CHARACTERISTICS

3.1.1 Housing units to be purchased must be located within the eligible area. The eligible area is described as follows: Within either (1) the

unincorporated area of Placer County east of Donner Summit or (2) the Town of Truckee.

- 3.1.2** Housing unit types eligible for the homebuyer Program are new or previously owned: single-family detached houses, half-plex, duplex, triplex or quadplex houses, condominiums, or manufactured homes on a single-family lot and placed on a permanent foundation system. The Program does not allow manufactured homes unless on a permanent foundation system.
- 3.1.3** All housing units must be in compliance with State and local codes and ordinances.
- 3.1.4** Housing units located within a 100 year flood zone will be required to provide proof of flood insurance in order to close escrow. Program Operator reserves the right to evaluate eligibility of homes that are in Special Flood Hazard Areas or are within 250 feet of a multiple flood zone(s).

3.2 CONDITIONS

3.2.1 Property Inspection and Determining Need for Repairs.

Once the participating homebuyer has executed a purchase agreement and prior to a commitment of Program funds, the following requirements must be satisfied for the housing unit to be eligible for purchase under the Program:

- (a)** A clear pest inspection report is required for each housing unit and smoke and carbon monoxide detectors must be installed if not in place.
 - (b)** If the assisted homebuyer is acquiring and rehabilitating a home as part of the first lender's mortgage loan, such as 203k, the housing unit must be free from any defects that pose a danger to the health and safety of occupants before occupancy. The construction inspector must inspect the housing unit again at project completion. The housing unit must meet written rehabilitation standards and local codes and ordinances at project completion.
- 3.2.2** Housing unit size shall be sufficient to meet the needs of the homebuyer household, without overcrowding. Generally, this means not more than two persons per bedroom or living room.
 - 3.2.3** The Program Operator will: 1) confirm that the housing unit is within the eligible area, 2) will review each proposed housing unit to ensure that it meets all eligibility criteria before funding and 3) will complete the homebuyer checklist and place in the Applicant's file.

3.3 PROPER NOTIFICATION AND DISCLOSURES

3.3.1 Upon selection of a housing unit, the homebuyer must be given the necessary disclosures for the Program. The homebuyer must have read and signed all Program disclosure forms.

3.3.2 All owners who wish to sell their housing units must receive an acquisition notice. This notice will be included in the contract and must be signed by all sellers on title.

4. THE PRIMARY LOAN

4.1 LOAN TYPE

Prior to obtaining a loan from the Program Operator, a homebuyer must provide evidence of financing for the maximum amount the primary lender is willing to loan (the "primary loan"). The primary loan must be fixed rate with duration equal to or in excess of thirty (30) years. The Program Operator will rely on the Primary Lender's decision to make a loan as evidence of creditworthiness, repayment ability, and dependability of income.

4.2 INTEREST RATE

The primary loan rate of interest shall be fixed (not an adjustable rate mortgage, ARM) at the current market rate. The current market rate must be evidenced by the Effective Rate plus 50 basis points listed in the Federal Housing Finance Board's most recent Monthly Interest Rate Survey for the San Francisco District and no temporary interest rate buy-downs are permitted.

4.3 LOAN TERM

The primary loan shall be fixed, and fully amortized and have a term "all due and payable" in no fewer than 30 years. There shall not be a balloon payment due before the maturity date of the Program loan.

4.4 IMPOUND ACCOUNT

All households will be required to have impound accounts for the payment of taxes and insurance to ensure they remain current.

5. THE PROGRAM LOAN

5.1 MAXIMUM AMOUNT OF PROGRAM ASSISTANCE

The amount of Program assistance to a homebuyer toward purchase of a home shall not exceed the lesser of \$50,000 or ten percent of the purchase price of the home.

5.2 NON-RECURRING CLOSING COSTS

Non-recurring closing costs such as credit report, escrow, closing and recording fees, and title report and title insurance, title updates and/or related costs are not considered part of the purchase price of the home but may be paid with the Program loan.

5.3 RATE AND TERMS FOR PROGRAM LOANS

All Program assistance to individual households shall be made in the form of a deferred payment loan. Below are the two types of payments that are allowed on the Program loan. The homebuyer must select one type of payment for their Program loan at the time the homebuyer submits the executed purchase agreement for the home to be purchased with the Program Loan.

5.3.1 Principal and Compound Interest Deferred Payment.

Program loans of this type shall be for at least as long as the primary loan but no less than 30 years. The interest rate shall be 3% per year compounded annually. All Program loan payments of interest and principal shall be deferred.

5.3.2 Shared Resale Value

Program loans of this type shall be for at least as long as the primary loan but no less than 30 years. Shared resale value, in lieu of accrued interest and principal, shall be paid by determining the program loan's percentage contribution to the original sales price and multiplying that percentage by the current sales price or the current appraised value if the loan accelerating event is other than sale of the property.

6. PROGRAM LOAN REPAYMENT

6.1 PAYMENTS ARE VOLUNTARY

Borrowers may begin making voluntary payments at any time in accordance with applicable loan conditions.

6.2 RECEIVING LOAN PAYMENTS

6.2.1 Program loan payments will be made to:

Sierra Business Council
P.O. Box 2428
Truckee, CA 96160

6.2.2 The Program Operator will be the receiver of loan payments or recapture funds and will maintain a financial record-keeping system to record payments and file statements on payment status. Payments and any insurance proceeds shall be deposited and accounted for in The Martis Fund Down Payment Assistance Program Income Account and then paid to the Martis Fund. The Program Operator will accept loan payments from borrowers prepaying deferred loans, and from borrowers making payments in full upon sale or transfer of the property. All loan payments are payable to the Program Operator. The Program Operator may with The Martis Fund's approval (such approval not to be unreasonably withheld), enter into an agreement with a third party to collect and distribute payments and/or complete all loan servicing aspects of the Program.

6.3 DUE UPON SALE OR TRANSFER

6.3.1 Loans are due upon the earlier of sale or transfer of title or when borrower no longer occupies the home as his/her principal residence, upon the loan maturity date, or upon payment of the primary loan (including payment as part of refinancing if the refinancing includes any payment of any equity to homebuyer). The loan will be in default if the borrower fails to maintain required fire or flood insurance or fails to pay property taxes. In any loan where the Program loan is the only subsidy, the homebuyer cannot be restricted from selling the home at its fair market value at any time.

7. LOAN MONITORING PROCEDURES

Program Operator will monitor borrowers and their housing units to ensure adherence to Program requirements including, but not limited to, the following:

- A. Owner-occupancy
- B. Property tax payment
- C. Hazard insurance coverage
- D. Good standing on Primary loans
- E. General upkeep of housing units

8. PROGRAM LOAN PROCESSING AND APPROVAL

8.1 Loan Processing

Prior to issuance of a program loan, the primary lender must submit: 1) accepted property sales contract with proper seller notification; 2) mortgage application with good faith estimates and first mortgage disclosures; 3) full mortgage credit report and rent verification; and 4) current third party income verifications and verifications of assets.

8.2 Documents from primary lender

After initial review of the qualified homebuyer's application packet, the Program Operator will request any additional documents needed. Documents may be faxed or delivered electronically. Based on receipt and review of the final documents, the Program Operator will do an income certification (using most recent HCD program's guidance on income calculation and determination as noted above), and homebuyer certification (review of credit report and income taxes). Documentation of eligibility will then be verified and Program Loan amount determined.

8.3 Disclosure of Program and Loan Information to Homebuyers

The Program's application and disclosure forms will contain a summary of the loan qualifications of the borrower with and without Program assistance. Information on the Program's application will be documented with third party verifications in the file. For example, the sales contract will provide the final purchase price and outline how much of the closing costs are to be paid by the seller, etc. The appraisal, termite and title report will provide information to substantiate the information in the sales contract and guide the construction inspection. The Program loan application will provide current debt and housing information and will be documented by the credit report and income/asset verifications. The primary lender's approval letter and estimated closing cost statement should reflect all the information in the loan package and show any contingencies of loan funding. Reviewing the primary lender's loan underwriting documentation will provide basic information about the qualification of the applicant and substantiate the affordability provided by the Program loan. Reviewing and crosschecking the Primary lender information ensures that the final Program loan amount will fall within the Program's eligibility requirements.

8.4 Completion of Underwriting and Approval of Program Loan

Once the loan approval package has been completed then the Program Operator will review the request and may approve it with or without conditions. Upon approval, a final closing date for escrow is set and Program funds are accessed for the homebuyer.

8.5 Primary And Program Loan Document Signing

The homebuyer(s) sign both promissory notes, deeds of trust, and statutory lending notices (right of rescission, truth in lending, etc.); the deeds of trust are recorded with the County Clerk/Recorder at the same time, and the request(s) for copy of notice of default are also recorded with the County Clerk/Recorder.

8.6 Escrow Procedures

The escrow/title company shall review the escrow instruction provided by the Program lender and shall issue a California Land Title Association (CLTA) title

policy and the American Land Title Association (ALTA) title policy after closing. The CLTA policy is issued to the homebuyer and protects them against failure of title based on public records and against such unrecorded risks as forgery of a deed. The ALTA is issued to each lender providing additional coverage for the physical aspects of the property as well as the homebuyer's title failure. These aspects include anything which can be determined only by physical inspection, such as correct survey lines; encroachments; mechanics liens; mining claims and water rights. The Program lender instructs the escrow/title company in the escrow instructions as to what may show on the policy; the amount of insurance on the policy (all liens should be covered) and the loss payee (each lender should be listed as a loss payee and receive an original ALTA).

9. SUBORDINATE FINANCING

No loans other than the primary loan and the program loan are allowed. The Program Operator will only subordinate to a fixed rate loan at current market rates. Loan Duration must be equal to or greater than the period remaining on borrower's primary mortgage.

10. EXCEPTIONS AND SPECIAL CIRCUMSTANCES

10.1 DEFINITION OF EXCEPTION

Any case to which a standard policy or procedure, as stated in the guidelines, does not apply or an applicant treated differently from others of the same class would be an exception.

10.2 PROCEDURE FOR EXCEPTIONAL CIRCUMSTANCES

10.2.1 The Program Operator or its agent may initiate consideration of an exception and prepare a report. This report shall contain a narrative, including the recommended course of action and any written or verbal information supplied by the applicant.

10.2.2 The Martis Fund shall make a determination of the exception based on the recommendation of the Program Operator.

11. DISPUTE RESOLUTION AND APPEALS PROCEDURE

Loan applicants have the right to appeal if an application is denied. The applicant shall engage in the following process to appeal a decision.

Appeals must be made in writing within 30 days of the date of the disputed decision and mailed to:

Martis Fund Program Director
P.O. Box 10390
Truckee, CA 96162

The Program Director will review the appeal and render a written decision to the applicant within 30 days from the date the appeal application was received.

Decisions of the Program Director are final.

1012563.7

Workforce Housing Preservation Program

Program Description and Guidelines February 2021

1. PROGRAM DESCRIPTION

Introduction

In 2017, the Placer County Board of Supervisors approved a series of tasks that comprise the County's Housing Work Plan. This work plan is aimed at identifying ways the County can improve local controls to address the housing crisis and state requirements. The work plan approaches the problem by targeting four main focus areas:

- Creating more incentives to build affordable and workforce housing
- Changing regulations to make building easier
- Advocating for state and federal assistance
- Furthering partnerships for meeting regional housing needs.

As one of many tools to facilitate housing, the Placer County Board of Supervisors directed staff on March 10, 2020 to implement a workforce housing deed restriction Program. The Workforce Housing Preservation Program is designed to help implement the County's Housing Work Plan by preserving and utilizing existing single family and multifamily housing stock as one means of supporting the county's permanent local resident workforce.

The Workforce Housing Preservation Program (WHPP) facilitates the purchase of residential deed restrictions in the unincorporated area of the County. The deed restrictions limit the occupancy of the home to the local resident workforce. Due to unique housing differences in the East Placer region, the Program includes an additional component specific to the eastern region, as described below in the Program Overview.

Program Overview

The WHPP is an incentive-based Program that facilitates housing for the local resident workforce in low, moderate, and achievable income brackets depending upon location. The Program would be available at the point of sale or construction of a single family or multifamily unit. Consistent with the State of California's legal framework for deed - restricted affordable housing, the WHPP implements a 55-year deed restriction on the property that automatically renews with each point of sale or transaction. In return for payment, the deed restriction is legally recorded, appears on the property title and is passed to future owners for a renewed 55 - year term. The Program is broken out into two components: 1) countywide component, and 2) East Placer region component. The countywide Program component is designed to provide developers with the ability to facilitate home ownership for low- to moderate-income households that are part of the local resident workforce. Developers can buy a deed restriction on a home to satisfy their affordable or employee housing mitigation requirement through this program. The County does not subsidize developer obligations; however, developers can work with the County to purchase deed restrictions that support the local resident workforce population consistent with the County's Program parameters. The East Placer Program may be implemented anytime funds are available and is designed to preserve regional housing stock for the local resident workforce in the East Placer region. This component is initially available for only new residential construction, and conversions of non-residential to residential purchases. The Workforce Housing Preservation Program will be monitored on an annual basis to determine effectiveness. Based on the Program's success, the Program may be extended or refined with Board approval.

Program Guidelines and participant criteria is described below.

2. PROGRAM GUIDELINES

A. Definitions

- I. "Achievable Income Limits" shall mean income limits defined as "Achievable" by the Tahoe Regional Planning Agency
- II. "Administrative Variance to Work Site" shall mean an exception to the 20-mile distance between the employment site and the Property, granted by the Program Administrator
- III. "Approving Agent" is the Board of Supervisors for Placer County or its designee
- IV. "Board" means the Board of Supervisors of Placer County
- V. "Date of Implementation" is the date the Program opened to the public
- VI. "Deed Documents" means the documents necessary to enter into a deed restriction agreement
- VII. "Deed Restriction Disbursement" is the value of the deed restriction paid by the Program Administrator to the Program Participant
- VIII. "Fair Market Value" means the value of the Property as determined by the appraiser
- IX. "Occupant" applies to all occupants in the Property
- X. "Potential Avalanche Hazard Area" means a location that is in a potential avalanche path as defined by a County planning document
- XI. "Program" or "WHPP" means the Workforce Housing Preservation Program
- XII. "Program Administrator" is the administrative group or agent designated by the Placer County Board of Supervisors who oversees the qualification, processing, and operation of the Program
- XIII. "Program Participant" is the applicant to the Program who is buying or constructing a residential property
- XIV. "Property" is the property on record receiving the deed restriction

B. Countywide Program

- I. Eligibility Criteria for Occupant and/or Program Participant
 - a. Gross annual household income must be equal to or less than 120 percent (120%) of Placer County's median income, adjusted for household size as set forth by the California Department of Housing and Community Development.
 - b. A household must have at least one member who is currently employed 30 or more hours per week at an employment site in Placer County.
 - c. A household must have at least one member whose work site is less than or equal to 20 driving miles from the Property.
 - i. Administrative Variance to Work Site. A twenty percent (20%) variance may be granted by the Program Administrator.
 - d. Program Participant must not have owned a home in the last 12 months and must not have participated in this Program for the last three years.
- II. Property:
 - a. The Program Administrator will determine eligible homes for participation in this Program based on sale price and what is considered affordable for a household meeting 120% area median income limits.
 - b. The Property shall be located in unincorporated Placer County.
 - c. The Property shall not be located in a Potential Avalanche Hazard Area.
- III. Conditions
 - d. The Program Participant shall be required to make all repairs and replacements necessary to keep the home in good condition and repair.
 - e. The Program Participant shall comply with all applicable laws, rules, ordinances, orders, and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials. The Property

shall pass a homebuyer's inspection/and or final building permit inspection prior to the completion of a disbursement.

- f. Program Participant shall consent to recordation of a lien against the Property in the amount of the funds disbursed plus a reasonable estimation of interest and fees.
- g. Program Participants may not rent their Property on a short-term basis.
- h. Program Participants may rent their Property to a qualified Occupant who meets local employment and income criteria described in Section C.I.

C. East Placer Program

I. Eligibility Criteria for Occupant and/or Program Participant

- a. Gross annual household income shall not exceed the Tahoe Basin Regional Planning Agency Achievable Income limit of 245 percent (245 %) of the area median income for Placer County for single-family dwellings or 220 percent (220%) for multifamily dwellings at the time of purchase or rental.
- b. A household must have at least one member who is currently employed 30 or more hours per week at an employment site within the Tahoe Truckee Unified School District geographical boundary.
- c. A household must have at least one member whose work site is less than or equal to 20 driving miles from the Property.
 - i. Administrative Variance to Work Site. A twenty percent (20%) variance may be granted by the Program Administrator.
- d. Program Participant must not have owned a home in the last 12 months and must not have participated in this Program for the last three years.

II. Property:

- a. The Program Administrator will determine eligible homes for participation in this Program based on sale price and what is considered affordable for a household meeting the TRPA Achievable Income limits.
- b. The Property shall be located in unincorporated Placer County within the Tahoe Truckee Unified School District geographical boundary.
- c. The Property shall not be located in a Potential Avalanche Hazard Area.

III. Conditions

- a. The Program Participant shall be required to make all repairs and replacements necessary to keep the home in good condition and repair.
- b. The Program Participant shall comply with all applicable laws, rules, ordinances, orders, and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials. The Property shall pass a homebuyer's inspection/and or final building permit inspection prior to the completion of a disbursement.
- c. Program Participant shall consent to recordation of a lien against the Property in the amount of the funds disbursed plus a reasonable estimation of interest and fees.
- d. Program Participants may rent their Property on a short-term basis for no more than 30 days each calendar year.
- e. Program Participants may rent their Property to a qualified Occupant who meets local employment and income criteria described in Section C.I.
- f. Program Participants must work within the Tahoe Truckee Unified School District geographical boundary for at least seven years after initial Program participation before retiring.

D. Determining the Deed Restriction value

- I. The County will use the following methods to determine the deed restriction value, based off the fair value of the property:
 - a. County Assessor recent sale price (within last three months, if possible) information for similar properties
 - b. Appraisal, paid by Program Participant, completed by a certified Member Appraisal Institute (MAI) or other qualified real estate appraiser approved in advance by the County
 - c. Program Participant and the County may establish the Fair Market Value of the Property by mutual agreement in lieu of an appraisal
- II. The County will consider the following criteria and findings to determine the Deed Restriction Disbursement:
 - a. The Property provides housing to a permanent year-round resident participating in the local workforce
 - b. The market value of the deed restriction is comparable in value to other existing deed restrictions in the community as demonstrated by a licensed real estate appraiser
 - c. Most cost effective and efficient use of the County's limited supply of financial resources
 - d. Fair market value is paid for the deed restriction relative to current market conditions
 - e. The amount contributed by the Program Participant to the down payment

E. Deed Restriction Processing and Approval

- I. The Program Administrator reviews applications and determines eligibility based on the initial Program interest applications.
- II. Program Participants who qualify will be sent an eligibility packet with the necessary forms, disclosures, information, and contact information. They should submit a complete packet to the Program Administrator within 15 days of receipt of packet. The completed packet should include all completed forms and documents verifying eligibility.
- III. All Program Participants shall verify on their application that all information provided is true and accurate. If any of the information is determined by the County to be inaccurate or non-verifiable, the applicant may be subject to disqualification by the County from the application and/or approval process.
- IV. The Program Administrator shall review the packet for completion and compliance with the terms listed for the particular Program for which the Program Participant is applying. Once the Program Administrator verifies the packet is complete and eligible, the Program Administrator will prepare the Packet for presentation to the Approving Agent.
- V. Upon the approval of the Approving Agent, the Program Administrator shall prepare the Deed Documents for signature, execution, and recording. The Deed Documents shall include, but not be limited to, a Deed Restriction Purchase Agreement, Restricted Deed (recordable), Lien (recordable), and Subordination Agreement. Once the Deed Documents are recorded, funds will be transferred to the Program Participant. The Program Administrator and Program Participant will work together to transfer the funds.

F. Monitoring and Compliance

- I. Program Participants are required to certify that the Property are occupied on a full-time basis by Occupants meeting the income and employment criteria. The Program Administrator will monitor the deed restrictions annually. By March 1st

of each year, each Program Participant and Occupant, if applicable, shall provide the following certifications and information as proof of occupancy requirements.

- a. Occupant's W-2 or most recent pay stubs.
 - b. Occupant's tax returns.
 - c. Occupant's lease agreement, if applicable.
- II. If any of the required information is not available, the Program Participant shall provide other documentation as requested by the Program Administrator. The sufficiency of any such alternative documentation will be determined by the Program Administrator at its sole discretion.
 - III. The Program Administrator may inspect the participating property with prior notice to Program Participant.
 - IV. Failure to comply with the annual verification will result in notification of violation with a deadline for compliance, followed by additional enforcement as laid out in the Noncompliance Section (H) of this document.

G. Future Sale of the Residence and Release from the Deed Restriction

- I. Future Sales:
 - a. The deed restriction will auto-renew the 55-year term with each future sale of the Property.
 - b. Occupancy requirements for the Program will apply to all future Program Participants and Occupants.
 - c. In the event a Program Participant wishes to sell the property, the Program Participant shall notify the Program Administrator for purposes of monitoring the transaction (or sale).
- II. Program Termination:
 - a. In the event a Program Participant decides to terminate the deed restriction, the Program Participant shall notify the Program Administrator.
 - b. The Program Administrator will present the Program Participant with a termination fee of whichever is greater: 1) the original Deed Restriction Disbursement plus interest calculated at three percent (3%) per year from date of deed restriction recordation compounded annually or 2) the original Deed Restriction Disbursement plus interest calculated at the rate of appreciation on the fair market value of the house since the date of deed restriction recordation.
 - c. Upon Program Participant's repayment of all monies owed, a release of lien will be recorded in favor of the Program Participant.

H. Noncompliance with Conditions of the Deed Restriction Program

- I. In the event a Program Participant participating in the Program fails to comply with the Program requirements, the Residence shall be terminated from the Program and the Program Participant shall owe the County a termination fee of:
 - a. 1) the original Deed Restriction Disbursement plus interest calculated at three percent (3%) per year from date of deed restriction recordation compounded annually or 2) the original Deed Restriction Disbursement plus interest calculated at the rate of appreciation on the fair market value of the house since the date of deed restriction recordation, whichever is greater
 - b. Appraisal, title and escrow fees.

I. Monitoring and Adaptive Management

- I. To ensure Program effectiveness, the Program Administrator will monitor the Program annually and evaluate data and trends such as but not limited to:
 - a. Types of housing Residences & prices of housing Residences in Program

- b. Frequency of how often Residences in Program sell
 - c. Sale prices of Residences in Program
 - d. Owner or renter occupancy
 - e. Changes to workforce population in East Placer
 - f. Changes to percentage of owner-occupied properties in East Placer
- II. The Program Administrator will also present Program updates to the Board of Supervisors on an annual basis. The Program Administrator will evaluate that data to gauge effectiveness of the Program and adapt and update the Program on an as-needed basis, with Board of Supervisors approval.

7a. Consider Approval of the TTWHA Training, Education, and Conference Attendance: Guidelines and Reimbursement Policy

Meeting Date: September 15, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Consider Approval of the TTWHA Training, Education, and Conference Attendance:
Guidelines and Reimbursement Policy

BOARD REQUEST:

Consider approval of a Policy that establishes guidelines for agency staff and board participation in, and reimbursement of, trainings, educational opportunities, and conference attendance.

BACKGROUND:

To ensure compliance with participation in agency-related trainings and conferences, a policy has been prepared that provides guidelines for staff and board participation in trainings, educational opportunities, and conference attendance. The policy outlines both agency guidelines for participation, and policies around reimbursement of attendees.

MOTION:

I move to approve Policy 2021-02: TTWHA Training, Education, and Conference Attendance

I move to approve Policy 2021-02: TTWHA Training, Education, and Conference Attendance, with the following changes/updates:

I move to take no action.

ATTACHMENTS:

Draft Policy 2021-02: TTWHA Training, Education, and Conference Attendance

Truckee Tahoe Workforce Housing Agency
Training, Education, and Conference Attendance:
Attendance Guidelines and Reimbursement Policy
Policy 2021-02

1. **Purpose:** To establish guidelines for attendance and expenses at educational conferences, professional meetings, and other agency-related business.
2. **Authority:** The authority to attend trainings and conferences and receive reimbursement of expenses at said events is based on the guidelines included within this policy.
3. **Training and Attendance Guidelines:**
 1. Staff and Members of the Board of Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve Agency operation. Hence, there is no limit as to the number of Agency Staff or Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the Agency. "Junkets" (a tour or journey for pleasure at public expense), however, will not be permitted.
 2. The decision to send an individual(s) to a seminar, conference, or meeting will be made by the Executive Director and Board Chair. When making a request to attend a function the employee will provide justification and an estimate of the cost.
 3. All Agency staff and Directors shall receive two hours of training in general ethics principles and ethics laws relevant to public service within one year of appointment to the Board of Directors, and at least once every two years thereafter, pursuant to government Code Sections 53234 through 53235.2.
 - a. All ethics training shall be provided by entities who have consulted with the California Attorney General and the Fair Political Practices Commission.
 - b. Directors shall obtain proof of participation after completing the ethics training. Agency staff shall maintain records indicating both the dates that Directors completed the ethics training and the name of the entity that provided the training. These records shall be maintained for at least five years after Directors receive the training, and are public records subject to disclosure under the California Public Records Act.
 - c. Agency staff shall provide the Board of Directors with information on available training that meets the ethics training requirements of this policy at least once every year.
 - d. Ethics training may consist of either a training course or an approved set of self-study materials with tests, and may be taken at home, in person or online.
 - e. Any Agency Director that serves on the board of another agency is only required to take the training once every two years.
 4. Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the Agency, Directors are required by statute to make a written or oral presentation to the Board of Directors at the next regular board meeting. Said report shall

detail what was learned at the event that will be of benefit to the Agency. Materials from the event may be delivered to the Agency office to be included in the Agency library for future use of the other Directors and staff.

4. Reimbursement Guidelines:

1. Transportation expenses incurred by an employee to attend a seminar, conference, training, or meeting will be reimbursed in accordance with IRS reimbursable rates as established in Publication 463, or any successor publication. If a commercial flight, rental car, or other form of transportation is required to attend the approved event, the most economical and time efficient form of transportation must be utilized. After approval of the travel, the ticket should if possible be booked using the Agency's credit card. Any transportation expenses that are not payable in advance (rental cars, hotels) may be charged to an individual's credit card; however, all documentation must be submitted for reimbursement.
2. Every effort must be made to obtain receipts for travel expenses. Those receipts will be submitted along with a Travel and Expense Report within two weeks of the trip to receive reimbursement.
3. If lodging is in connection with the event, such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor. When lodging is not available in conjunction with the event, government or group rates at a mid-price range hotel will be reimbursed, not to exceed IRS reimbursement rates. Receipts are required for reimbursement.
4. Meals and Incidentals:
 - a. The Agency will pay for meals during authorized travel up to the per diem amount per the United States General Services Administration (GSA) (www.gsa.gov). The per diem amount is inclusive of all taxes and tips, and there are breakdowns for individual meals. The GSA website prorates first and last day of travel. The Agency expects travelers to prorate travel days per GSA breakdown.
 - b. If meals are included in the cost of a meeting, conference or training, the Agency will not pay per diem for a meal that the attendee elects to purchase from another source unless additional support is provided for such meal. Such additional support must sufficiently address that the meals provided do not meet the needs or taste of the traveler. The attendees' general election to incur additional meal expense without reasonable justification does not qualify for reimbursement.
 - c. This per diem methodology for meals that is limited to the GSA amount eliminates the need for attendees to submit receipts. Thus the Travel and Expense Report only needs to include the per diem amounts but not the actual receipts. This only applies to meals and incidentals, as all other travel expenses require a receipt to substantiate the purchase.
 - d. The Agency will pay for goods and/or services necessary for the completion of official business during travel. This includes expenses for things such as computer or internet usage.

- e. The Agency will not pay for in-room movies, optional recreational events (such as golf) at conferences, laundry/dry cleaning, alcohol, or any other items of a personal nature.
 - f. A traveler may request an advance of the meal and incidental per diem per the requirements and limitations of this Policy Instruction. The request must be made one week before the date of travel. The per diem advance will be fully accounted for in the expense report filed upon their return.
 - g. Meals are generally not to be paid with the Agency issued credit card since the Agency utilizes the per diem methodology which increases efficiency for the traveler/employees and the Agency in processing reports. However, if an Agency credit card is utilized, itemized receipts are required. The cost shall not exceed the applicable per diem amount.
5. Travel by Air. Travelers shall select the most economical method of transportation available. When selecting Air Fare, the following shall apply:
- a. The Agency permits travelers to check one bag.
 - b. The Agency permits travelers to select the most economical air fare offered where the traveler selects his/her seat.
 - c. When traveling by air with a leg of more than 2 hours, Travelers have the option of selecting priority, business, comfort, economy extra, etc. class seating when the cost is reasonable and has been approved by the Executive Director prior to purchase. The Agency will not pay for First Class seating.
 - d. Vehicle Parking: Travelers will use the least expensive parking facility available at the time of travel. The Agency does not reimburse for premium or covered parking unless that is the only parking available at the time of travel.
6. Nonessential expenses such as room service, health and fitness center, cocktails and movies will not be eligible for reimbursement. These costs should not be directly charged to your hotel room bill if at all possible. Spouses, partners, family members, etc are permitted to travel with employees. The additional cost for the meals, lodging and transportation of a spouse, partner, or family member will not be eligible for reimbursement.
7. All parties seeking reimbursement shall complete an expense report form within two weeks of their return from the trip. The expense report must be accompanied by all appropriate receipts and submitted to the Executive Director.