DATE:	8/17/99	AGENDA ITEM #	02
() APPI	ROVED () DENIED	
() CON	TINUED	TO	

TO:

James App, City Manager

FROM:

Robert A. Lata, Community Development Director

SUBJECT:

Appeal of Planning Commission Action on Planned Development 98016 (NOVA Housing Group)

DATE:

August 17, 1999

Needs:

To consider a Council-initiated appeal of the Planning Commission's action of June 22, 1999 to approve Planned Development (PD) 98016, filed by NOVA Housing Group. PD 98016 is a development plan for an 80 unit apartment complex to be located on the west side of Nicklaus Road, at the southwest corner of its future intersection with Oak Hill Road.

Facts:

- 1. At its meeting of July 20, 1999, the City Council conducted a public hearing on an appeal of the Planning Commission's action of June 22, 1999 to approve PD 98016. The Council continued the hearing to August 17, 1999 in order to obtain additional information about the project's impacts. The Council's requests are listed and discussed in the Analysis Section, below.
- 2. The Planning Commission's approval of PD 98016 included adoption of a Mitigated Negative Declaration for this project. A copy of the resolution approving the Mitigated Negative Declaration is attached.
- 3. The same recitations, findings and conditions that were contained within the Planning Commission's resolution to approve PD 98016 may be found in the attached draft resolution to uphold the Planning Commission's action of June 22.
- 4. Prior to the Planning Commission's action, the applicants submitted the following agreements, which they had signed. Copies of these agreements are attached.
 - a. An agreement to make payments in lieu of (property) taxes;
 - b. A agreement to implement those mitigation measures identified by the Initial Study prepared for this project;
 - c. A memorandum of understanding between the applicant and Peoples' Self-Help Housing Corp. (PSHHC) establishing the terms by which PSHHC would become the Non-Profit Managing General Partner.
- 5. The applicants have submitted a letter requesting that the Council approve reimbursement agreements for certain off-site improvements listed in the project's conditions, as approved by the Planning Commission. These improvements include installation of a traffic signal at Niblick and Nicklaus Roads, construction of street improvements to Oak Hill Road, and installation of water main in Oak Hill Road between South River and Nicklaus Roads. (Please see Conditions #30, 31, 32 and 38 of the attached resolution.)

Analysis and Conclusion:

- A. The following is a summary of the information that the Council requested be provided for the August 17 meeting:
 - The County Assessor has verbally informed staff that he can attend the August 17 meeting to discuss the effects, including potential pitfalls, of a Payment in Lieu of Taxes Agreement. He said that he would provide an estimate of the assessed valuation based on copies of the plans and other project information provided by staff.
 - Patrick Sayne, Superintendent of Paso Robles Public Schools has provided a letter (copy attached) that states that Pat Butler School is already at capacity and that the K-5 students generated from the project may have to attend a different school. His letter mentions that SB-50 (enacted in 1998) prohibits cities from denying development projects on the basis of school overcrowding and prevents school districts from making such a request. The letter also mentions that the State has a constitutional obligation to "backfill" any revenues lost via a Welfare Exemption.
 - Attached is a memo from Doug Hamp, Chief, Department of Emergency Services, that finds no "unusual challenges" with the project. His memo mentions a concern with the city-wide challenge to fire and life safety associated with the pace of growth.
 - The Housing Authority has been invited to have a representative at the August 17 meeting. A copy of the Housing Authority's letter of July 16 is attached.
 - Regarding the potential for, and consequences of, Peoples' Self-Help Housing Corp. (PSHHC) being able to sell their interest in the project at some future date, PSHHC has provided a letter explaining that they will be signing an "Operating Deficit Guarantee" with the tax credit investor, whereby PSH agrees to cover any operating deficits. PSHHC will also be a party to the conventional bank loan that will be a substantial part of the financing of the project. PSHHC has indicated that these two actions will make it nearly impossible to sell their interest.
 - Regarding whether the Agreement for Payment in Lieu of Taxes signed by Canyon Creek Associates (a limited partnership) can be sustained over time, should one or more partners sell their interest in the project, Section 7g of that agreement reads: "Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties' respective heirs, legal representatives, successors and assigns."
 - The City Attorney has advised that the Memorandum of Understanding between PSHHC and NOVA Housing Group, which sets forth the conditions for PSHHC's participation in a future partnership agreement with NOVA and the tax credit investor (SunAmerica Insurance) is not binding. A future partnership agreement, however, would be binding (once it is executed). The conditions of approval require execution of an agreement prior to issuance of a building permit.
 - The Duncan Group, an affiliate of PSHHC that proposes to be the entity to manage the project is a non-profit organization. A copy of the letter from the Internal Revenue Service designating the Duncan Group as a 501(c)(3) organization is in the file.

- Regarding distribution of "low income housing" throughout the County, attached is a table that shows the number and percentage of the County for the following:
 - total number of households in each jurisdiction (7 cities + unincorporated area);
 - number of low income households in each jurisdiction;
 - number of rental units restricted to low income persons in each jurisdiction;
 - number of single family residential units developed for low income persons in each jurisdiction.

The percentages show how the City compares to other jurisdictions in providing low income housing. "Low Income" refers to households earning 80% or less of the County's Median Income.

There is no available data with which to determine what market rate units are being occupied by low income persons, either within the City or County-wide.

- B. The Analysis Section of the staff report for the July 20 meeting included the following points:
 - The applicant has signed the mitigation agreement. By its approval of a Mitigated Negative Declaration, the Planning Commission stated that the environmental information concerning the project was complete.
 - The proposed development plan complies with the Zoning Code's R-2 Zone, off-street parking and general regulations.
 - The Agreement for Payments in Lieu of Taxes is designed to reimburse the City for the amount of property taxes that the City would otherwise receive if the applicant did not apply for a Welfare (property tax) Exemption pursuant to Section 214(g) of the Welfare and Taxation Code. The Agreement is designed to be effective for as long as the applicants, their heirs, legal representatives, successors and assigns elect to maintain such an exemption.
 - The requested reimbursement agreements affecting Conditions #30, 31, 32 and 38 of the attached resolution are consistent with the Planning Commission's approval. If the Council approves this request, staff will prepare the necessary agreements for Council consent action at a future Council meeting.

Policy Reference:

California Environmental Quality Act (CEQA); California Government Code Section 65915; California Revenue and Taxation Code Section 214(g); General Plan Elements; Zoning Code; 1999 Economic Strategy

Fiscal Impact:

The applicant is proposing to offset any significant adverse fiscal impacts on the City related to a welfare exemption via "payment in lieu of taxes". An estimate of the amount of in-lieu payments in property taxes, based on the valuation listed in the applicant's Tax Credit Application, follows:

a. \$12,842 beginning in Fiscal Year 2000/2001 (assuming that the project was ready for occupancy on July 1, 2000), based on the City's share (17%) of the annual maximum rate of 1% of valuation; with the 2% annual increase allowed by Proposition 13, over 30 years

this amount comes to about \$521,000 and over 55 years this amount comes to about \$1,266,100;

b. An additional \$13,950 for bonded indebtedness from Measure D beginning in Fiscal Year 2002/2203; with the 2% annual increase allowed by Proposition 13, over 25 years this amount comes to about \$429,000;

Options:

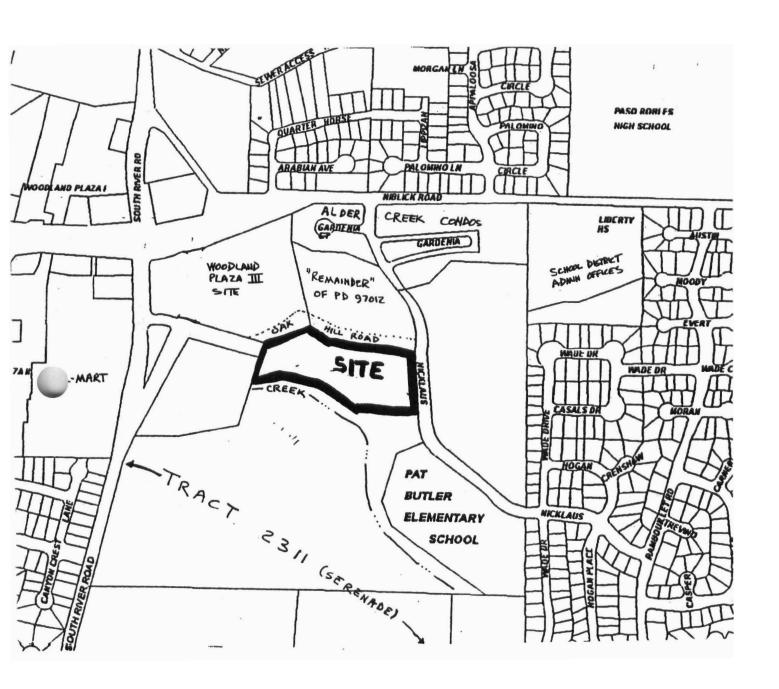
After consideration of all public testimony, that the City Council consider the following options:

- a. (1) Adopt the attached resolution to uphold the June 22, 1999 decision of the Planning Commission to approve Planned Development 98016.
 - (2) Approve the applicants' request for reimbursement agreements for the improvements listed in Conditions #30, 31 and 32 and direct staff to prepare the necessary agreements for City Council consent action at a future Council meeting.
- b. Direct staff to amend, modify or reject the foregoing option and bring back a resolution with appropriate findings for action at a future Council meeting.

Attachments:

- 1. Location Map
- 2. Draft Resolution upholding the Planning Commission's Action to Approve Planned Development 98016
- 3. Resolution Approving a Negative Declaration
- 4. Agreement for Payment in Lieu of Taxes
- 5. Memorandum of Agreement Between NOVA Housing Group and Peoples' Self-Help Housing Corp
- 6. Letter from NOVA dated July 12, 1999
- 7. Letter from Peoples' Self-Help Housing Corp dated July 9, 1999
- 8. Letter from Paso Robles Housing Authority dated July 16, 1999
- 9. Memorandum from Doug Hamp, Chief, Department of Emergency Services, dated July 28, 1999
- 10. Letter from Patrick Sayne, Superintendent, Paso Robles Public Schools, dated August 5, 1999
- 11. Letter from Peoples' Self-Help Housing Corp dated July 23, 1999
- 12. Table: "Low Income Housing in San Luis Obispo County"

ED\PD-CUP\NOVA\CC Report Appeal 081799





PD 98016 (NOVA HOUSING GROUP) **LOCATION MAP**

RESOLUTION 99-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES TO UPHOLD THE PLANNING COMMISSION'S DECISION OF JUNE 22, 1999 TO APPROVE PLANNED DEVELOMENT 98016 (NOVA HOUSING GROUP)

WHEREAS, Nova Housing Group has filed an application, Planned Development (PD) 98016, for authorization to construct 80 multi-family residential units on a 6 acre site located on the west side of Nicklaus Road, approximately 700 feet south of Niblick Road; and

WHEREAS, the project site is designated by the Land Use Element of the General Plan for Residential, Multiple Family, Low (RMF-L) Land Use and is zoned R-2,PD; and

WHEREAS, the project site is located in a Planned Development Overlay Zoning District and Municipal Code Section 21.16A.050 requires adoption of a development plan in conjunction with the development of any property within a Planned Development Overlay District; and

WHEREAS, on December 9, 1997, the Planning Commission adopted Resolution PC 97-060 to approve Planned Development (PD) 97012, which established a maximum density of 161 dwelling units on 58 acres, covering 3 then-existing legal parcels, of which the project site for PD 98016 is a part; and

WHEREAS, Nova Housing Group has indicated that all 80 of the proposed dwelling units are to be reserved for exclusive occupancy by "lower income" households as defined by California Health and Safety Code Section 50079.5 (those earning 80% or less of the County's Median Income); and

WHEREAS, Section 65915 of the California Government Code provides the following:

- a. That the City shall offer at least a 25% density bonus and one "developer incentive" to developers who propose that 20% or more of the dwelling units in a housing project be reserved for lower income households;
- b. Defines "developer incentive" as a reduction in site development standards, a modification of zoning code requirements, or other regulatory incentives proposed by the developer or the city which result in identifiable cost reductions;
- c. Requires that a deed restriction limiting occupancy of the project site for a period of not less than 30 years be recorded against the property; and

WHEREAS, the proposed 80 units includes a base density of 64 units plus an additional 16 units, which is 25% of the 64 base units; and

WHEREAS, at the request of the applicants, on November 24, 1998, the Planning Commission interpreted Paso Robles Municipal Code Section 21.22.060.A.1 to provide that the 10 foot width requirement for parking spaces in residential zones only applied to parking spaces that are covered in a garage or carport and that open parking spaces may be 9 feet wide; and

WHEREAS, the applicants have received an allocation of Federal Tax Credits to finance the project and, via their tax credit application, have indicated an intent to include a non-profit organization as

managing partner in order that the project may qualify for a "Welfare" (property tax) exemption under Section 214(g) of the California Revenue and Taxation Code; and

WHEREAS, regulations governing the Federal Tax Credit Program require that, beyond the 30 years required by state law, a deed restriction limiting occupancy of the project site for a period of not less than 55 years be recorded against the property; and

WHEREAS Policy PS-12 of the Land Use Element of the City's General Plan calls for the City to support the public schools districts' efforts to ensure that new development mitigates its impacts to public schools; and

WHEREAS, the project site is located within the Paso Robles Joint Unified School District, which has two general obligation bond issues in effect until the year 2002, with a combined ad valorem tax rate of 0.3575%; and

WHEREAS, in June 1998 and in March 1999, the Paso Robles Joint Unified School District was unsuccessful in obtaining voter approval of a proposed a new general obligation bond issue, at an ad valorem rate of 0.18%, to begin in the year 2002; and

WHEREAS, the Paso Robles Joint Unified School District has indicated that it may try a third ballot measure for a new general obligation bond issue, at an ad valorem rate of 0.18%, to begin in the year 2002; and

WHEREAS, under a welfare exemption, the City will not receive any property tax revenues from the project, including revenues under general obligation bond approved via Measure D98, facing a property tax loss estimated at about \$950,500 in the first 30 years and at about \$1,696,000 after 55 years; and

WHEREAS, under a welfare exemption, the Paso Robles Joint Unified School District will not receive any revenues under the existing general obligation bonds or under any future general obligation bond; and

WHEREAS, on February 2, 1999, the City Council adopted an update to the Economic Strategy for the City of El Paso de Robles, which included Implementation Measure II for Objective A of the Housing Section, which calls for the following:

- a. That the City require all developers proposing the use of low-income tax credit financing or other financing (which will have property tax exemptions) to have a local non-profit or public entity with a proven track record in ownership and management be the general managing partner or controlling ownership interest in the project; and
- b. That the City require such developments to provide adequate recreation, childcare facilities, and after-school programs with a guarantee for their long-term viability; and

WHEREAS, one purpose of the Economic Strategy's Implementation Measure to require a local nonprofit or public entity with a proven track record in ownership and management be the general managing partner or controlling ownership interest is to ensure that projects such as that proposed are effectively managed and maintained and State Law does not set criteria for nonprofit managing partners; and WHEREAS, another purpose of the Economic Strategy's Implementation Measure to require such developments to provide adequate recreation, childcare facilities, and after-school programs with a guarantee for their long-term viability is to off-set impacts to City services such as police, fire, parks and recreation and general governmental services; and

WHEREAS, it has been reported that some cities have experienced significant problems associated with nonprofit managing partners that are partners in name only, and which perform little or no on-site management services; and

WHEREAS, for reasons discussed in the Initial Study prepared for this project, completion of the improvement of the west side of Nicklaus Road between Niblick Road and Pat Butler School and of the full length of Oak Hill Road is necessary for purposes of orderly development and public safety; and

WHEREAS, the applicants' tax credit application estimated of the value of the project at \$7,554,375, and based on this value, it is estimated that the amount of property tax revenue that the City would lose would be as follows:

- a. \$12,842 beginning in Fiscal Year 2000/2001 (assuming that the project was ready for occupancy on July 1, 2000), based on the City's share (17%) of the annual maximum rate of 1% of valuation; with the 2% annual increase allowed by Proposition 13, over 30 years this amount comes to about \$521,000 and over 55 years this amount comes to about \$1,266,100;
- b. An additional \$13,950 for bonded indebtedness from Measure D beginning in Fiscal Year 2002/2203; with the 2% annual increase allowed by Proposition 13, over 25 years this amount comes to about \$429,000;
- c. Any property tax revenues for periods beyond 55 years that the project continues to qualify for a welfare exemption; and

WHEREAS, if the applicants obtain a welfare exemption, it is expected that the city will not receive the above property tax revenues to offset the demand on police services, emergency (fire prevention and paramedic) services, recreation (including library) services, other municipal services and impact to public facilities (river crossings, parks, public safety center, etc.); and

WHEREAS, based on an estimated of the value at \$7,554,375, it is estimated that the amount of property tax revenue from existing general obligation bonds that the Paso Robles Joint Unified School District would lose would be as follows:

- a. About \$54,500 for the period between July 1, 2000 and June 30, 2002;
- b. Should a new general obligation bond be approved at 0.18% to begin on July 1, 2002, and including the \$54,500 mentioned above, about \$507,700 over 25 years; and
- c. Any property tax revenues for periods beyond 55 years that the project continues to qualify for a welfare exemption; and

WHEREAS, if the applicants obtain a welfare exemption, it is expected that the Paso Robles Joint Unified School District will not receive the above property tax revenues to offset the demand on elementary and high school services; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), an Expanded Initial Study was prepared for this project, which found several potential significant impacts that could be mitigated if the project was revised to incorporate certain mitigation measures; and

WHEREAS, the applicants have agreed to revise the project to incorporate the mitigation measures listed in the Initial Study, as modified by the Planning Commission in the public hearings conducted on May 11 and 25, and June 8 and 22, 1999; and

WHEREAS a Mitigated Negative Declaration was approved by the Planning Commission on June 22, 1999 via Resolution 99-049; and

WHEREAS, the applicants have agreed to make annual "payments in lieu of taxes" to the City, equal to the amount that the City would receive if there were no welfare exemption; and

WHEREAS, a public hearing was conducted by the Planning Commission on May 11, May 25, June 8 and June 22, 1999, to consider facts as presented in the staff report prepared for this project, and to accept public testimony regarding this proposed subdivision and associated planned development; and

WHEREAS, a member of the City Council has filed an Appeal of the Planning Commission's decision on June 22, 1999, to approve Planned Development 98016 and the accompanying Mitigated Negative Declaration; and

WHEREAS, at its meetings of July 20 and August 17, 1999, the City Council took the following actions regarding this planned development amendment:

- a. Considered the facts and analysis, as presented in the staff report prepared for the proposed planned development amendment;
- b. Conducted a public hearing to obtain public testimony on the proposed planned development amendment;

NOW, THEREFORE, BE IT FOUND AND DETERMINED, by the City Council, that based on the foregoing recitals, facts and analysis presented in the staff reports, public testimony received and subject to the conditions of approval listed below, that:

- 1. As long as a nonprofit organization is a managing partner, which will be 30-55 years or longer, the loss of property tax revenues as a result of the project qualifying for a Welfare (property tax) exemption under California Revenue and Taxation Code Section 214(g) will pose ongoing significant fiscal impacts to: (a) City services and infrastructure, including, but not limited to, City streets, sewer, water, police, fire parks, recreation programs, and general governmental services, for as long as the project remains restricted to low income households and (b) to local public schools;
- 2. The fiscal impacts to the City resulting from the loss of property tax revenue may be offset through either "payments in lieu of taxes" or equivalent measures. The following measures are necessary to

help off-set fiscal impacts, be consistent with the adopted Economic Strategy, and address public safety needs:

- a. The street improvement conditions/mitigation measures listed in the Mitigation Agreement; and
- b. Compliance with the Economic Strategy Implementation Measure by which a local nonprofit organization manages the project and provides adequate recreation, childcare facilities, and after-school programs with a guarantee for their long-term viability;
- 3. The fiscal impacts to public schools resulting from the loss of property tax revenue will remain unmitigated.
- 4. The Planning Commission's November 24, 1998 interpretation of the Zoning Code to allow for the parking spaces to be 9 feet wide was sought by the applicant as being necessary for the feasibility of the project, and as such, is consistent with Government Code Section 65915's definition of a "developer incentive";

BE IT FURTHER FOUND AND DETERMINED, by the City Council, that based on the foregoing recitals, facts and analysis presented in the staff reports, public testimony received and subject to the conditions of approval listed below, that:

- 1. The granting of this permit, including the project's design and intensity is consistent with, and will not adversely affect, the policies, spirit and intent on the general plan, applicable specific plans, the zoning code, policies and plans of the City (Sections 21.16A.070[a] and 21.23B.050.A);
- 2. The proposed project maintains and enhances the significant natural resources on the site, is compatible with existing scenic and environmental resources (Sections 21.16A.070[b] and 21.23B.050[E]);
- 3. The proposed project is designed to be sensitive to and blend in with the character of the site and surrounding area (Section 21.16A.070[c]);
- 4. The proposed project's design and density of developed portion of the site is compatible with surrounding development and does not create a disharmonious or disruptive element to the surrounding area (Sections 21.16A.070[d] and 21.23B.050.B and D);
- 5. The development would be consistent with the purpose and intent of this chapter and would not be contrary to the public health, safety and welfare (Sections 21.16A.070[e] and 21.23B.050.B);
- 6. The proposed development plan accommodates the aesthetic quality of the City as a whole, especially where development will be visible from gateways to the City and scenic corridors (Section 21.23B.050.C);

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of El Paso de Robles, does hereby uphold the Planning Commission's action of June 22, 1999 to approve Planned Development 98016, subject to the following conditions set forth below.

COMMUNITY DEVELOPMENT DEPARTMENT

- 1. This Planned Development authorizes the construction of 80 multi-family dwelling units for exclusive occupancy by "lower income" households as defined by California Health and Safety Code Section 50079.5.
- 2. In accordance with California Government Code Section 65915(c,) prior to issuance of a building permit, the applicant shall record a restrictive covenant limiting occupancy of the site to lower income households for a period of not less than 30 years, beginning on the date of issuance of a Certificate of Occupancy for the project.
- 3. The applicant shall comply with all those standard conditions which are indicated on "Exhibit A" to this resolution. NOTE: All checked standard conditions shall apply unless superseded by a site specific condition.
- 4. The project shall be constructed so as to substantially conform with the following exhibits established by this resolution. (NOTE: Reductions of Exhibits B-H are attached to this resolution; full-sized copies of Exhibits B-H and Exhibit I are on file in the Community Development Department.)

EXHIBIT	DESCRIPTION
В	Preliminary Grading and Drainage Plan
С	Site Plan (labeled "Sheet A1")
D	Floor Plans (labeled "Sheets A2 - A4")
E	Building Elevations (labeled "Sheets A5 - A6")
F	Cross Sections (labeled "Sheets A7 - A8")
G	Mailbox, Trash Enclosure, Directory Sign and Tot Lot Details (labeled "Sheet A9")
Н	Landscaping Plan (labeled "Sheet L1")
I	Color and Materials Board

- 5. The project shall be developed in a single phase, including all amenities and improvements reflected on the submitted exhibits. Any proposal to develop the project in multiple phases shall be subject to Planning Commission consideration and approval as part of a subsequent amendment to this Planned Development. Prior to granting approval of any phasing plan, the City may impose additional conditions upon this Planned Development relative to phasing which are necessary to protect the public health, safety and welfare and orderly development of the City.
- 6. Approval of Planned Development 98016 shall not be effective until all Development Application fees required by Resolution 96-75 for this application have been paid to the City.

- 7. This project is subject to the State of California Department of Fish and Game Environmental Filing Fees for a Negative Declaration which requires the applicant submit a \$1250.00 filing fee payable to "County of San Luis Obispo". The fee should be submitted to the Community Development Department within 24 hours of project approval, which is then forwarded to the San Luis Obispo County Clerk. Please note that the project may be subject to court challenge unless the required fee is paid.
- 8. Within 6 weeks prior to issuance of a grading permit, the applicant shall retain a qualified biologist to perform a survey of the site for the presence of San Joaquin Kit Fox in accordance with protocols established by the US Fish and Wildlife Service (USFWS) and California Department of Fish and Game (CDFG). If kit fox are found on site, specific measures for avoiding impacts to kit fox will then be identified and implemented through documented consultation with USFWS and CDFG, and according to the current protocols for kit fox protection.
- 9. The applicant shall retain a qualified biologist to monitor the site during construction. If the biologist finds raptor nests on the site, the following mitigation measures shall be implemented:
 - a. To avoid taking of active raptor nests, necessary tree removals or pruning should be conducted between September 15 and February 15, outside of the typical nesting season.
 - b. If any tree removals are determined to be necessary between February 15 and September 15, a raptor nest survey shall be conducted by a qualified biologist prior to any identified tree removals or pruning.
 - c. If the biologist determines that a tree slated for removal or pruning is not currently used by nesting raptors, the applicant shall apply for appropriate permits for tree removal or pruning.
- 10. The applicant shall implement the following mitigation measures to minimize impacts to potential aquatic wildlife resources of the project site:
 - a. A minimum setback from the upland edge of riparian vegetation shall be established through documented consultation with the CDFG and USFWS.
 - b. Sedimentation and erosion control measures shall be implemented during construction, and construction activities in or near stream channels should be limited to the dry season to avoid impacts from increased runoff and sedimentation (i.e. May 15, to October 15th).
 - c. Creek banks impacted as a result of construction or other activities should be revegetated as soon as possible after construction, using native riparian shrubs and ground covers.
 - d. Drainage design features shall be implemented to reduce stormwater impacts to the creek channels resulting from increased hardscape runoff.
 - e. Prior to construction, a 2-day/2-night California red-legged frog survey shall be conducted, according to USFWS protocol for the species.
- 11. Prior to issuance of a building or grading permit, and between the months of May and July, the applicant shall retain a qualified biologist to perform a survey of the site for the presence of shining navarretia, one-awned spineflower, and the oval-leafed snapdragon in accordance with requirements established by the US Fish and Wildlife Service (USFWS) and California Department

- of Fish and Game (CDFG). If special status plant species are found on site, specific measures for avoiding or mitigating impacts will then be identified and implemented through documented consultation with USFWS and CDFG.
- 12. Wetlands Protection: The applicant shall implement the following mitigation measures to minimize impacts to the creek along the south side of the site, which is considered a wetland:
 - a. Implement erosion control measures during construction and limit construction activities adjacent to riparian/wetland areas to dry weather periods in order to avoid impacts related to increased runoff and sedimentation from the project site.
 - b. Prior to commencement of construction, place highly-visible temporary fencing along the upper streambanks and limit construction activities to areas located outside of the fenced areas.
 - c. During construction, avoid cleaning and refueling of equipment and vehicles within the vicinities of the existing channels and associated wetland and riparian habitats.
 - d. Following completion of construction-related activities, revegetate all disturbed and barren areas with appropriate native vegetation to reduce the risk of erosion and sedimentation into the adjacent drainages.
- 16. Prior to issuance of a Certificate of Occupancy, a Bus Shelter, of the dark green metal type installed at various locations in the City, shall be installed in a location in front of the project site to be determined by the Directors of Public Works and Administrative Services.
- 17. All existing oak trees shall be retained. In addition to Public Works Department Conditions #26 and 35, below, the following shall be accomplished:
 - a. A qualified arborist shall monitor grading and trenching to ensure that oak trees are protected in the manner depicted in the "Tree Protection & Tree Preservation Report for Canyon Creek Apartments" dated February 6, 1999, prepared by Jack Brazeal.
 - b. Prior to issuance of a Certificate of Occupancy, the applicant shall submit to the Community Development Department written certification from a qualified arborist that the oak trees have not been damaged as a result of construction.
- 18. Prior to issuance of a grading permit, a Phase II Archaeological Study shall be conducted, as recommended by "An Archaeological Survey of the Nova Housing Group Property", dated November 9, 1998, prepared by Heritage Discoveries, Inc. All recommendations of the Phase II Archaeological Study shall be incorporated into the project development.
- 19. The following air quality mitigation measures shall be included in the project:
 - a. Bike racks;
 - b. Energy efficient appliances;
 - c. double-paned windows;
 - d. Increase wall and ceiling insulation beyond Title 24 requirements;
 - e. Insulate hot water pipes.

- 20. The following air quality mitigation measures shall be followed during construction of the project:
 - a. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site;
 - b. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible; building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
 - c. Vehicle speed for all construction equipment shall not exceed 15 mph on any unpaved surface at the site;
 - d. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two fee of freeboard in accordance with CVC Section 23114;
 - e. Sweep streets at the end of the day if visible soil material is carried onto adjacent paved roads.
- 21. Prior to issuance of a building permit, the property owner shall record an instrument, to be approved by the City Attorney, naming the City of El Paso de Robles as the sole agent for pumping and delivering the overlyer's groundwater water rights.
- 22. In accordance with Implementation Measure II for Objective A of the Housing Section of the 1999 Economic Strategy for the City of El Paso de Robles, approval of PD 98016 shall not be effective until the applicant provides proof that the following has been accomplished:
 - a. A local non-profit or public entity with a proven track record in ownership and management be the general managing partner or controlling ownership interest in the project.
 - b. Commitment to provide adequate recreation, childcare facilities, and after-school programs with a guarantee for their long-term viability.

Peoples' Self-Help Housing Corp. has demonstrated that it meets the above criteria and is hereby pre-qualified to assume this role.

- 23. A 10 to 12 foot high chain link fence shall be installed to enclose the sport court at the west end of the site.
- 24. An ornamental iron fence with decorative masonry pilasters every 8 feet on center shall be constructed at the top of the retaining wall at the north end of the parking lot. The design plans for this fence shall be approved by the Development Review Committee prior to issuance of a building permit.
- 25. Prior to issuance of a Certificate of Occupancy, the applicant shall submit a renter's lease agreement to the City for review and approval. Said lease agreement shall inform all prospective renters that, as provided for in Municipal Code Sections 9.06.030 and 21.22.160, parking spaces may not be used for storage of trailers, boats, or inoperative vehicles.

PUBLIC WORKS DEPARTMENT

26. Prior to the issuance of a grading permit, the applicant shall submit a written verification from a certified arborist that all mitigation measures as outlined in the arborist report dated February 6, 1999 have been included with the grading construction proposed adjacent to existing oak trees.

- 27. Prior to the issuance of a grading permit, the applicant shall submit a haul route to export any excess dirt from the project site.
- 28. Prior to the issuance of a Certificate of Occupancy, the west side of Nicklaus Road, from the edge of existing full improvements at the south end of the Alder Creek Condominium property to the edge of existing full improvements at the north end of Pat Butler School Property, shall be fully-improved with concrete curb, gutter, sidewalk, paving (from the gutter to the existing edge of pavement), and streetlights in accordance to City Standards and Specifications.
- 29. Prior to the issuance of a Certificate of Occupancy, and as indicated in the Traffic Report dated February 24, 1999, the applicant shall construct the northwest curb return at Oak Hill Road and Nicklaus Street.
- 30. Prior to the issuance of a Certificate of Occupancy, the applicant shall improve both sides of Oak Hill Road from South River Road to the western property line of the project site in the same manner as required for the Woodland Plaza III Project (PD 98003 and Parcel Map PR 98-038), and make half-width improvements plus 12-feet wide of paving along the frontage of the project site to Nicklaus Road. These improvements shall include but not be limited to concrete curb, gutter, sidewalk, parkway landscaping and irrigation, streetlights, striping, signage and utilities, all in accordance to the City's Standards and Specifications. If, by the time of issuance of a Certificate of Occupancy, the right-of-way for Oak Hill Road between the western property line and South River Road has not yet been dedicated, the applicant shall post a bond or equivalent security to pay for the costs of full street improvements.
- 31. Prior to the issuance of a Certificate of Occupancy, the applicant shall install a traffic signal at the intersection of Nicklaus and Niblick Road. The applicant may, at his discretion, request from the City Council, to be reimbursed for a portion of the installation costs.
- 32. Prior to the issuance of a Certificate of Occupancy, the applicant shall install a waterline from River Road to Nicklaus Street within Oak Hill Road.
- 33. Prior to the issuance of a Certificate of Occupancy, the applicant shall install separate fireline and domestic water lines to serve the project. A backflow prevention device shall be installed with the fireline system. Maintenance of both water systems shall be the responsibility of the apartment complex developer.
- 34. Any connections to the sewerline in Nicklaus Street shall be made in a manhole. It is recommended that a minimum 6-inch diameter line be installed.
- 35. As required in the arborist report dated February 6, 1999, prior to the issuance of a construction permit to install the sewerline and storm drain lines, the applicant shall submit a written confirmation from a certified arborist that the alignment of these pipelines will not impact the health of the oak trees or that mitigation measures will be implemented so as not to impact the existing oak trees.
- 36. Prior to the issuance of a grading permit, the applicant shall dedicate the open space and drainage easement south of the property to the City's Landscape and Lighting Maintenance District.

- 37. Concurrent with the issuance of a building permit, and in addition to standard sewer connection fees, the applicant shall pay the South River Road Sewer Reimbursement (\$80.00/unit) and the Meadowlark Sewer Reimbursement (\$293.25/unit).
- 38. Prior to the issuance of a Certificate of Occupancy, the applicants may, at their discretion, request that the City Council establish a Reimbursement Agreement for those improvements installed by the applicants which would have been installed as a condition of approval for Woodland Plaza III pursuant to Planning Commission Resolutions No. 98-042 and 98-043.

EMERGENCY SERVICES DEPARTMENT

- 39. Fire hydrants will be required on Oak Hill Rd with spacing of not more than 300 feet. On site hydrants will be placed on the property at intervals of not more than 300 feet. The interior fire line will be required to have a backflow preventer/double detector valve at the connection with the city water main. The hydrant locations will be approved by Emergency Services prior to construction.
- 40. Any building 5000 square feet or more will be required to have an approved automatic fire sprinkler system installed. The system must be monitored for water flow, supervisory and tamper at a minimum. Tamper alarms are required on the DDC.
- 41. Approved addressing and/or signage will need to be approved prior to construction.
- 42. All required alarms will be installed and operating prior to occupancy.
- 43. The chain link fence to the rear of the property will be required to have a minimum of 2 pedestrian gates. The location will be determined at the site just prior to construction.
- 44. Provisions shall be made to update the Fire Department Run Book. The developer can provide a disk of the final approved map on AutoCad format to Emergency Services. The map will need to show all right of ways, lot lines, footprint of bldgs. (if available), hydrant locations etc.
- 45. A vegetation management plan will be submitted to Emergency Services for approval prior to construction. The plan will need to include the removal of dead vegetation and the trimming of trees to limit exposure to fires. The plan will need to be verified by the arborist

PASSED AND ADOPTED THIS 17th Day of August, 1999 by the following Roll Call Vote:

AYES: NOES: ABSENT: ABSTAIN:	
ATTEST:	Duane J. Picanco, Mayor
Sharilyn M. Ryan, Deputy City Clerk	

EXHIBIT A OF RESOLUTION PC 99 -

CITY OF EL PASO DE ROBLES STANDARD DEVELOPMENT CONDITIONS FOR PLANNED DEVELOPMENTS / CONDITIONAL USE PERMITS

PROJECT #:

Planned Development (PD) Amendment 98016

APPROVING BODY:

Planning Commission

DATE OF APPROVAL:

May 11, 1999

APPLICANT:

Nova Housing Group

LOCATION:

West side of Nicklaus Street, approx. 700 feet south of Niblick Road

The following conditions that have been checked are standard conditions of approval for the above referenced project. The checked conditions shall be complied with in their entirety before the project can be finalized, unless otherwise specifically indicated. In addition, there may be site specific conditions of approval that apply to this project in the resolution.

COMMUNITY DEVELOPMENT DEPARTMENT - The applicant shall contact the Community Development Department, (805) 237-3970, for compliance with the following conditions:

A. GENERAL CONDITIONS:

- 1. This project approval shall expire on May 11, 2001 unless a time extension request is filed with the Community Development Department prior to expiration.
- 2. The site shall be developed and maintained in accordance with the approved plans and unless specifically provided for through the Planned Development process shall not waive compliance with any sections of the Zoning Code, all other applicable City Ordinances, and applicable Specific Plans.
- 3. Prior to occupancy, all conditions of approval shall be completed to the satisfaction of the City Engineer and Community Developer Director or their designees.
- 4. Any site specific condition imposed by the Planning Commission in approving this project may be modified or eliminated, or new conditions may be added, provided that the Planning Commission shall first conduct a public hearing in the same manner as required for the approval of this project. No such modification shall be made unless the Commission finds that such modification is necessary to protect the public interest and/or neighboring properties, or, in the case of deletion of an existing condition, that such action is necessary to permit reasonable operation and use for this approval.
- 5. This project is subject to the California Environmental Quality Act (CEQA) which requires the applicant submit a \$25.00 filing fee for the Notice of Determination payable to "County of San Luis Obispo". The fee should be submitted to the Community Development Department within 24 hours of project approval which is then forwarded to the San Luis Obispo County Clerk. Please note that the project may be subject to court challenge unless the required fee is paid.

(Adopted by Planning Commission Resolution 94-038)

\boxtimes	6.	The site shall be kept in a neat manner at all times and the landscaping shall be continuously maintained in a healthy and thriving condition.	
\boxtimes	7.	All signs shall be subject to review and approval as required by Municipal Code Section 21.19 and shall require a separate application and approval prior to installation of any sign.	
	8.	All outdoor storage shall be screened from public view by landscaping and walls or fences per Section 21.21.110 of the Municipal Code.	
\boxtimes	9.	All trash enclosures shall be constructed of decorative masonry block compatible with the main buildings. Gates shall be view obscuring and constructed of durable materials such as painted metal or chain link with plastic slatting.	
\boxtimes	10.	All existing and/or new ground-mounted appurtenances such as air-conditioning condensers, electrical transformers, backflow devices etc., shall be screened from public view through the use of decorative walls and/or landscaping subject to approval by the Community Development Director or his designee. Details shall be included in the building plans.	
	11.	All existing and/or new roof appurtenances such as air-conditioning units, grease hoods, etc. shall be screened from public view. The screening shall be architecturally integrated with the building design and constructed of compatible materials to the satisfaction of the Community Development Director or his designee. Details shall be included in the building plans.	
	12.	All existing and/or new lighting shall be shielded so as to be directed downward in such a manner as to not create off-site glare or adversely impact adjacent properties. The style, location and height of the lighting fixtures shall be submitted with the building plans and subject to approval by the Community Development Director or his designee.	
\boxtimes	13.	All existing and/or new landscaping shall be installed with automatic irrigation systems.	
\boxtimes	14.	All walls/fences and exposed retaining walls shall be constructed of decorative materials which include but are not limited to splitface block, slumpstone, stuccoed block, brick, wood, crib walls or other similar materials as determined by the Development Review Committee, but specifically excluding precision block.	
	15.	The following areas shall be placed in the Landscape and Lighting District:	
		The developer shall install all improvements and landscape areas. City acceptance on behalf of the Landscape and Lighting District shall be subject to the approval of the Public Works Street Department (237-3864).	
\boxtimes	16.	All parking lot landscape planters shall have a minimum outside dimension of six feet and shall be separated from parking and driving areas by a six inch high solid concrete curb.	
	17.	The following areas shall be permanently maintained by the property owner, Homeowners Association, or other means acceptable to the City:	
\boxtimes	18.	It is the property owner's responsibility to insure that all construction of private property improvements occur on private property. It is the owner's responsibility to identify the property lines and insure compliance by the owner's agents	

	В,	THE FOLLOWING CONDITIONS SHALL BE COMPLETED PRIOR TO THE ISSUANCE OF BUILDING PERMITS:	
***	\boxtimes	 Two sets of the revised Planning Commission approved plans incorporating all Conditions of Approval, standard and site specific, shall be submitted to the Community Development Department prior to the issuance of building permits. 	
		 Prior to the issuance of building permits, the Development Review Committee shall approve the following: Planning Division Staff shall approve the following: 	
		 a. A detailed site plan indicating the location of all structures, parking layout, outdoor storage areas, walls, fences and trash enclosures; b. A detailed landscape plan; (additional street trees) c. A detailed building elevations of all structures indicating materials, colors, and architectural treatments; d. Other: Lighting details, including shielding 	
		3. The applicant shall meet with the City's Crime Prevention Officer prior to the issuance of building permits for recommendations on security measures to be incorporated into the design of the structures to be constructed. The applicant is encouraged to contact the Police Department at (805) 237-6464 prior to plan check submittal.	
	C.	THE FOLLOWING CONDITIONS SHALL BE COMPLETED PRIOR TO OCCUPANCY:	
-		 Occupancy of the facility shall not commence until such time as all Uniform Building Code and Uniform Fire Code regulations have been complied with. Prior to occupancy, plans shall be submitted to the Paso Robles Fire Department and the Building Division to show compliance. The building shall be inspected by the appropriate department prior to occupancy. 	
		2. All public or private manufactured slopes located adjacent to public right-of-ways on property in excess of six (6) feet in vertical height and of 2.5:1 or greater slope shall be irrigated and landscaped for erosion control and to soften their appearance as follows: one 15-gallon tree per each 250 square feet of slope area, one 1-gallon or larger size shrub per each 100 square feet of slope area, and appropriate ground cover. Trees and shrubs shall be staggered in clusters to soften and vary the slope plane. Slope planting shall include a permanent irrigation system be installed by the developer prior to occupancy. In lieu of the above planting ratio, the applicant may submit a slope planting plan by a licensed landscape architect or contractor providing adequate landscaping erosion control and slope retention measures; the slope planting plan is subject to approval by the Development Review Committee. Hydroseeding may be considered on lots of 20,000 square fee or greater.	

(Adopted by Planning Commission Resolution 94-038)

PUBLIC WORKS DEPARTMENT - The applicant shall contact the Engineering Division, (805) 237-3860, for compliance with the following conditions:

APPI	ICAN	NT:	Nova Housing Group	PREPARED BY: Ditas Esperanza
REPF	RESEN	NTATIVE	: North Coast Engineering/Larry Wen	ner
PROJECT:			PD 98016	TO PLANNING:
All cor	nditions	s marked are	e applicable to the above referenced project i	for the phase indicated.
D.	PRI	OR TO AN	Y PLAN CHECK:	
	1.	The application the City.	cant shall enter into an Engineering Plan Ch	neck and Inspection Services Agreement with
E.	PRIOR TO ISSUANCE OF A GRADING PERMIT:			
	1.	receive a		shall apply through the City, to FEMA and from FEMA. The developer's engineer shall lication.
\boxtimes	2.		sed structures and grading shall not encroad Code Chapter 21.14 "Flood Damage Preven	ch into the 100-year floodway as specified in ation Regulations".
\boxtimes	3.	City Ordinapproved disposition	nance No. 553, Municipal Code No. 10.01 to be removed. An Oak tree inventory s n, and the proposed location of any replacem for removal, an approved Oak Tree Removal.	all be protected and preserved as required in "Oak Tree Preservation", unless specifically hall be prepared listing the Oak trees, their trees required. In the event an Oak tree is oval Permit must be obtained from the City,
\boxtimes	4.	the improv	vement plans. Drainage calculations shall b	egistered civil engineer shall be included with e submitted, with provisions made for on-site re not available, as determined by the City
\boxtimes	5.	property t		e prepared by a registered engineer for the bils or other soils problems and shall make ite.
F.	PRIC	OR TO AN	Y SITE WORK:	
\boxtimes	1.	submitted		ed by a registered civil engineer and shall be ral. The improvements shall be designed and Specifications.
\boxtimes	2.	public util		gned as approved by a representative of each The composite utility plan shall also be signed ads.

(Adopted by Planning Commission Resolution 94-038)

\boxtimes	3.	Any grading anticipated during the rainy season (October 15 to April 15) will require the approval of a Construction Zone Drainage and Erosion Control Plan to prevent damage to adjacent property. Appropriateness of areas shall be subject to City Engineer approval.		
\boxtimes	4.	Any construction within an existing street shall require a Traffic Control Plan. The plan shall include any necessary detours, flagging, signing, or road closures requested. Said plan shall be prepared and signed by a registered civil or traffic engineer.		
\boxtimes	5.	Landscape and irrigation plans for the public right-of-way shall be incorporated into the improvement plans and shall require a signature of approval by the Department of Public Works, Street Superintendent and the Community Development Department.		
	6.	The owner shall offer to dedicate and improve the following street(s) to the standard indicated: Nicklaus Street Local A-5 Street Name City Standard Standard Drawing No. Oak Hill Road Collector A-3 Street Name City Standard Standard Drawing No. Street Name City Standard Standard Drawing No.		
	7.	The owner shall offer to dedicate to the City the following easement(s). The location and alignment of the easement(s) shall be to the description and satisfaction of the City Engineer: a. Public Utilities Easement; b. Water Line Easement; c. Sewer Facilities Easement; d. Landscape Easement; e. Storm Drain Easement.		
G.	PRI	OR TO ISSUANCE OF A BUILDING PERMIT:		
\boxtimes	1.	A final soils report shall be submitted to the City prior to the final inspection and shall certify that all grading was inspected and approved, and that all work has been done in accordance with the plans, preliminary report, and Chapter 70 of the Uniform Building Code.		
\boxtimes	2.	The applicants civil and soils engineer shall submit a certification that the rough grading work has been completed in substantial conformance to the approved plans and permit.		
\boxtimes	3.	When retaining walls are shown on the grading plan, said walls shall be completed before approval of the rough grade, and prior to issuance of any building permits, unless waived by the Building Official and the City Engineer.		
\boxtimes	4.	All property corners shall be staked for construction control, and shall be promptly replaced if destroyed.		
\boxtimes	5.	Building permits shall not be issued until the water system has been completed and approved, and a based access road installed sufficient to support the City's fire trucks per Fire Department recommendation.		

	6.	The developer shall annex to the City's Landscape and Lighting District for payment of the operating and maintenance costs of the following: a. Street lights; b. Parkway and open space landscaping; c. Wall maintenance in conjunction with landscaping; d. Graffiti abatement; e. Maintenance of open space areas; f. Detention Basin.		
	7.	Prior to the issuance of a Building Permit for a building within Flood Insurance Rate Map (FIRM) - in zones A1-A30, AE, AO, AH, A, V1-V30, VE and V - the developer shall provide an Elevation Certificate in accordance with the National Flood Insurance Program. This form must be completed by a land surveyor, engineer or architect licensed in the State of California.		
	8.	Prior to the issuance of a Building Permit for a building within Flood Insurance Rate Map (FIRM) in zones A1-A30, AE, AO, AH, A, V1-V30, VE and V, the developer shall provide a Flood Proofing Certificate in accordance with the National Insurance Program. This form must be completed by a land surveyor, engineer or architect licensed in the State California.		
H.	PRIC	OR TO ISSUANCE OF CERTIFICATE OF OCCUPANCY:		
\boxtimes	1.	The applicant shall pay any current and outstanding fees for Engineering Plan Checking and Construction Inspection services and any outstanding annexation fees.		
\boxtimes	2.	No buildings shall be occupied until all public improvements are completed and approved by the City Engineer, and accepted by the City Council.		
\boxtimes	3.	All final property corners and street monuments shall be installed before acceptance of the public improvements.		
	4.	All top soil removed shall be stockpiled and evenly distributed over the slopes and lots upon completion of rough grading to support hydroseeding and landscaping. All slope areas shall be protected against erosion by hydroseeding or landscaping.		
\boxtimes	5.	The applicant shall install all street names, traffic signs and traffic striping as directed by the City Engineer.		
	6.	If the adjoining existing City street is inadequate for the traffic generated by the project, or will be severely damaged by the construction, the applicant shall remove the entire roadway and replace it with a minimum full half-width street plus a 12' wide travel lane and 8' wide graded shoulder adequate to provide for two-way traffic. (A finding of "rough proportionality" has been made in the resolution for this condition).		
\boxtimes	7.	If the development includes a phased street construction along the project boundary for future completion by the adjacent property owner, the applicant shall provide a minimum half-width street plus a 12' wide travel lane and 4' wide graded shoulder adequate for two-way traffic. (A finding of "rough proportionality" has been made in the resolution for this condition).		
\boxtimes	8.	When the project fronts on an existing street, the applicant shall pave-out from the proposed curb to the edge of pavement if the existing pavement section is adequate, and shall feather the new paving out to the centerline for a smooth transition. If the existing pavement is inadequate, the roadway shall be replaced to centerline and the remaining pavement shall be overlaid. (A finding of "rough proportionality" has been made in the resolution for this condition).		

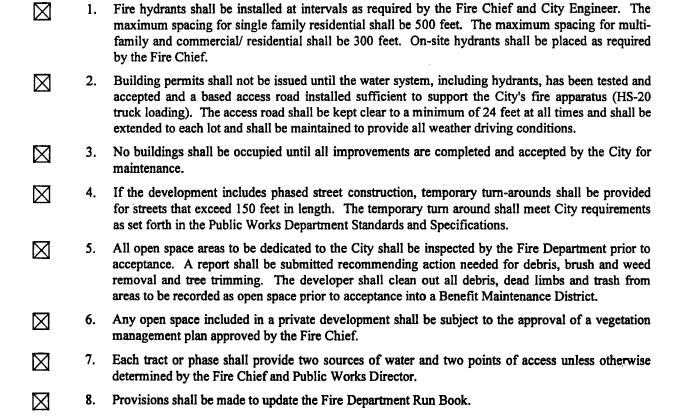
- 9. Any utility trenching in existing streets shall be overlaid to restore a smooth riding surface as required by the City Engineer. Boring and jacking rather than trenching may be required on newly constructed or heavily traveled City streets.
- 10. The applicant shall install all utilities (sewer, water, gas, electricity, cable TV and telephone) underground (as shown on the composite utility plan). Street lights shall be installed at locations as required by the City Engineer. All existing overhead utilities adjacent to or within the project shall be relocated underground except for electrical lines 77 kilovolts or greater. All utilities shall be extended to the boundaries of the project. All underground construction shall be completed and approved by the public utility companies, and the subgrade shall be scarified and compacted, before paving the streets.
- 11. Prior to paving any street the water and sewer systems shall successfully pass a pressure test. The sewer system shall also be tested by a means of a mandrel and video inspection with a copy of the video tape provided to the City. No paving shall occur until the City has reviewed and viewed the sewer video tape and has determined that the sewerline is acceptable. Any repair costs to the pipeline including trench paving restoration shall be at the developer's expense.
 - 12. A blackline clear Mylar (0.4 MIL) copy and a blueline print of as-built improvement plans, signed by the engineer of record, shall be provided to the City Engineer prior to the final inspection. A reduced copy (i.e. 1" = 100') of the composite utility plan shall be provided to update the City's Atlas Map.
 - 13. All construction refuse shall be separated (i.e. concrete, asphalt concrete, wood gypsum board, etc.) and removed from the project in accordance with the City's Source Reduction and Recycling Element.

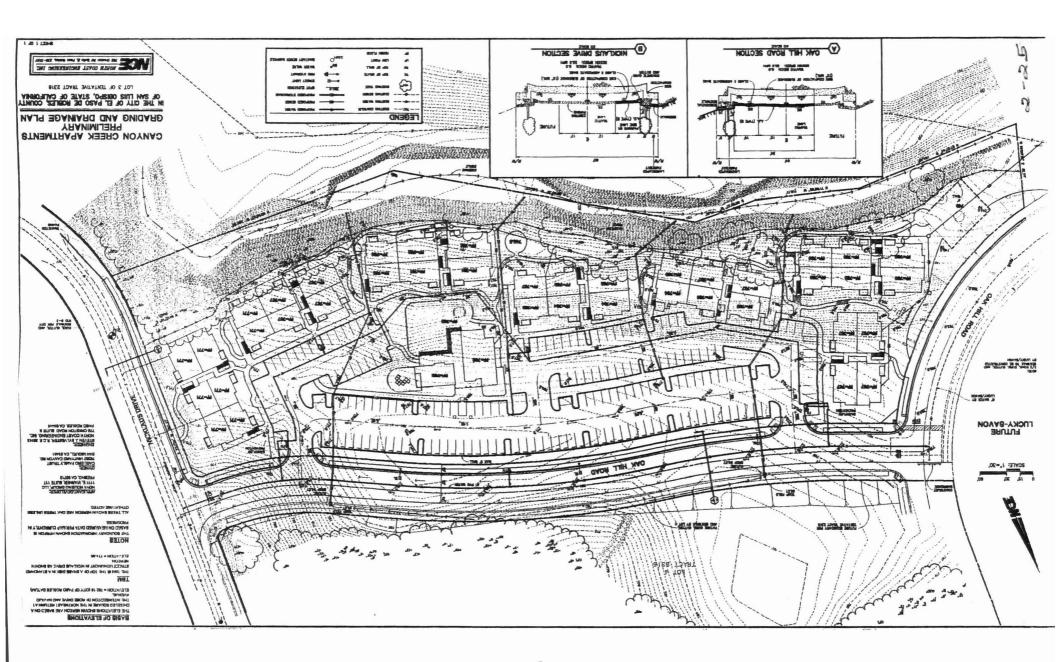
(Adopted by Planning Commission Resolution 94-038)

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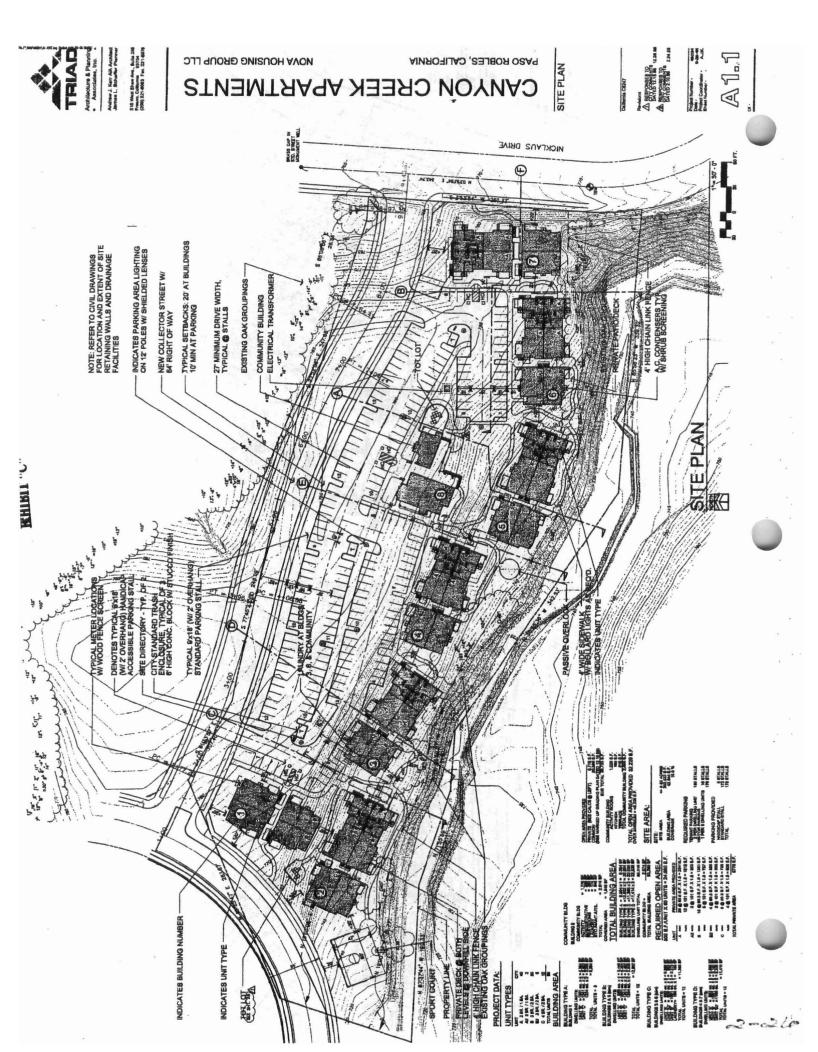
PASO ROBLES FIRE DEPARTMENT - The applicant shall contact the Fire Department, (805) 237-3973, for compliance with the following conditions:

I. GENERAL CONDITIONS

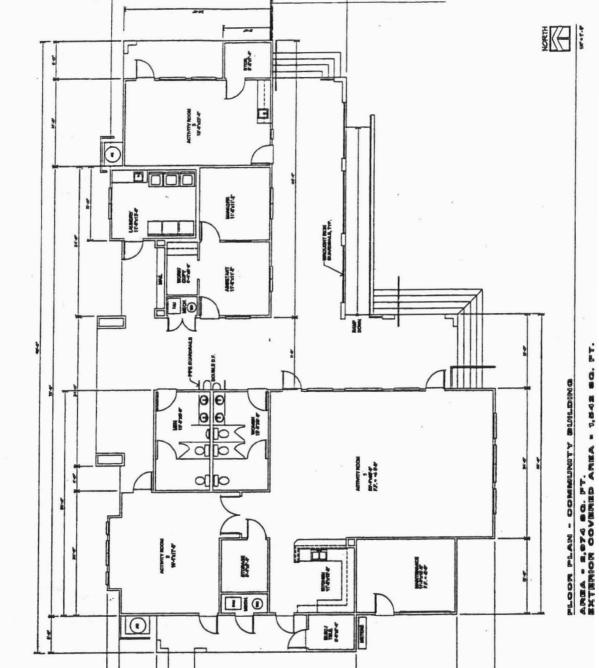




EXHIBIL "B"



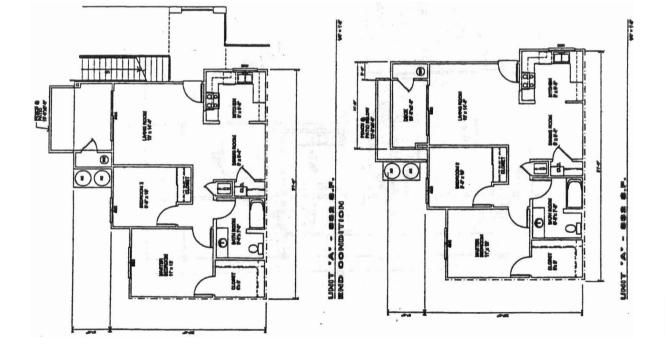


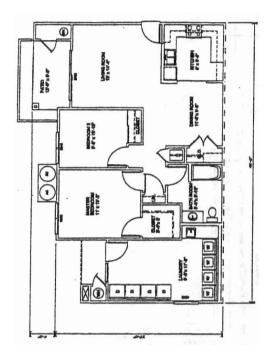


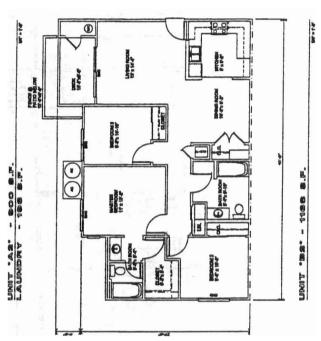
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FLOOR PLAN-COMMUNITY BUILDING



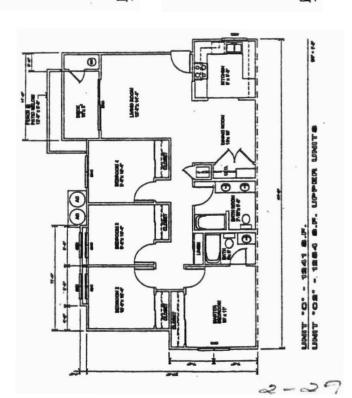








FLOOR PLANS



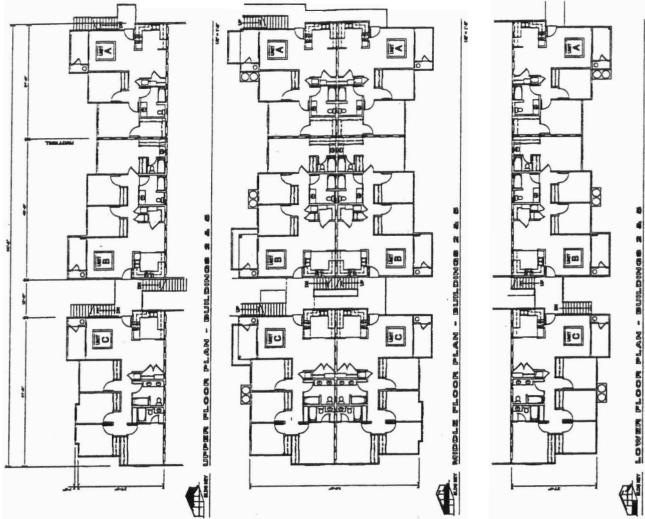




EXHIBIT T

ИОЛУ НОПЗІИВ ВИОЛЬ ПС CANYON CREEK APARTMENTS



400 5-00

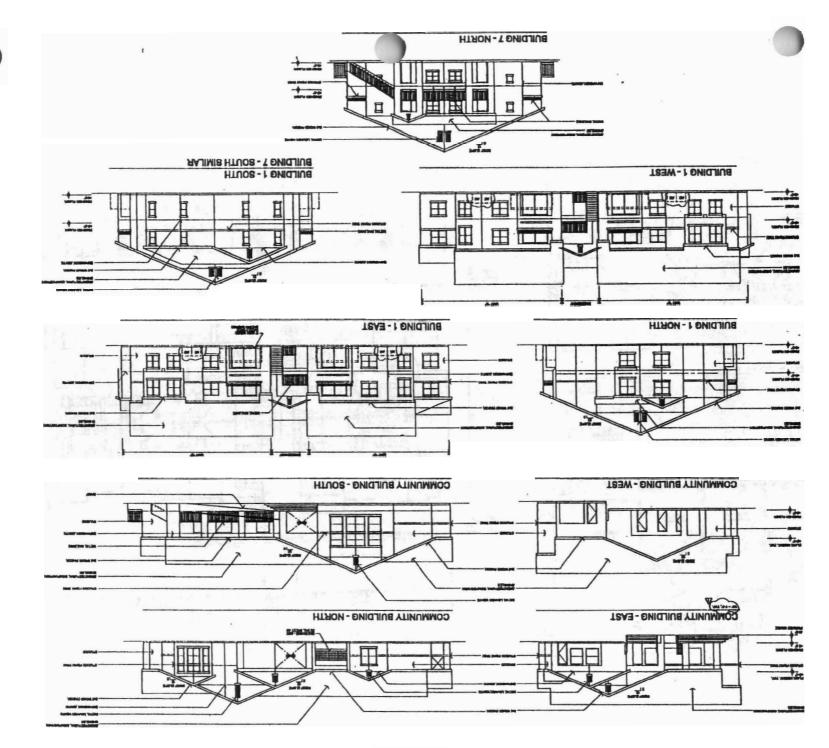
COMMUNITY BUILDING BUILDING SUCTAVATIONS

PASO ROBLES, CALIFORNIA

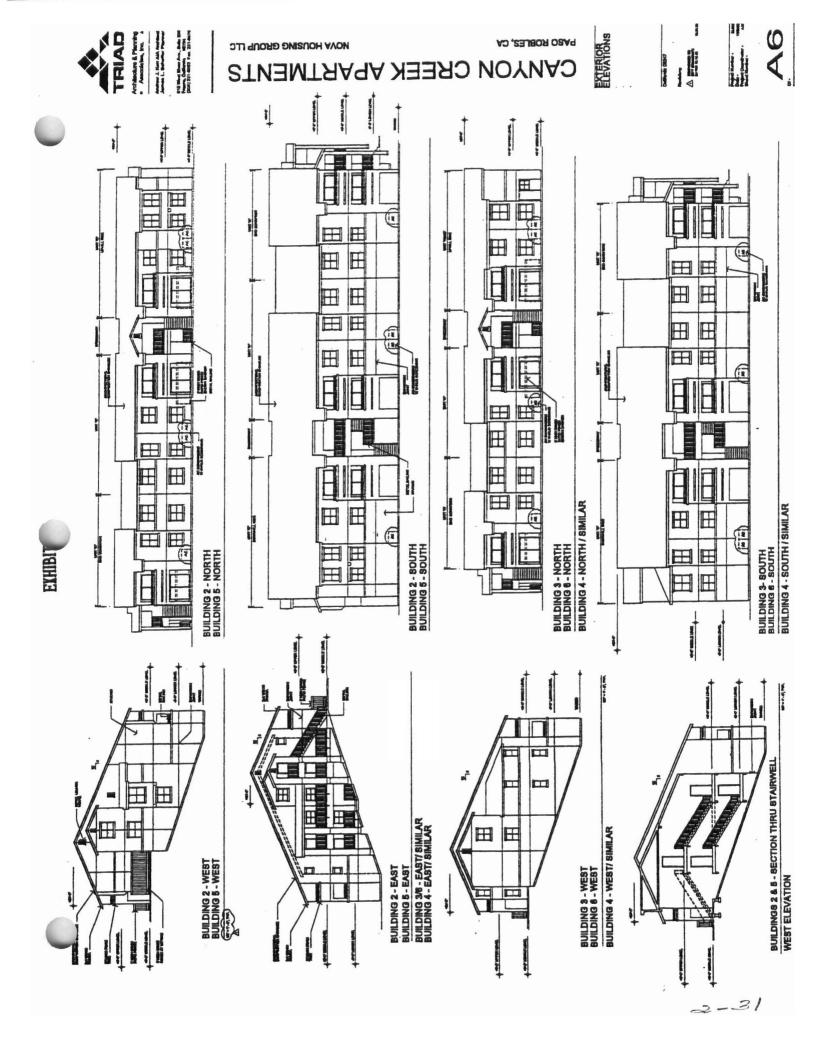
CANYON CREEK APARTMENTS

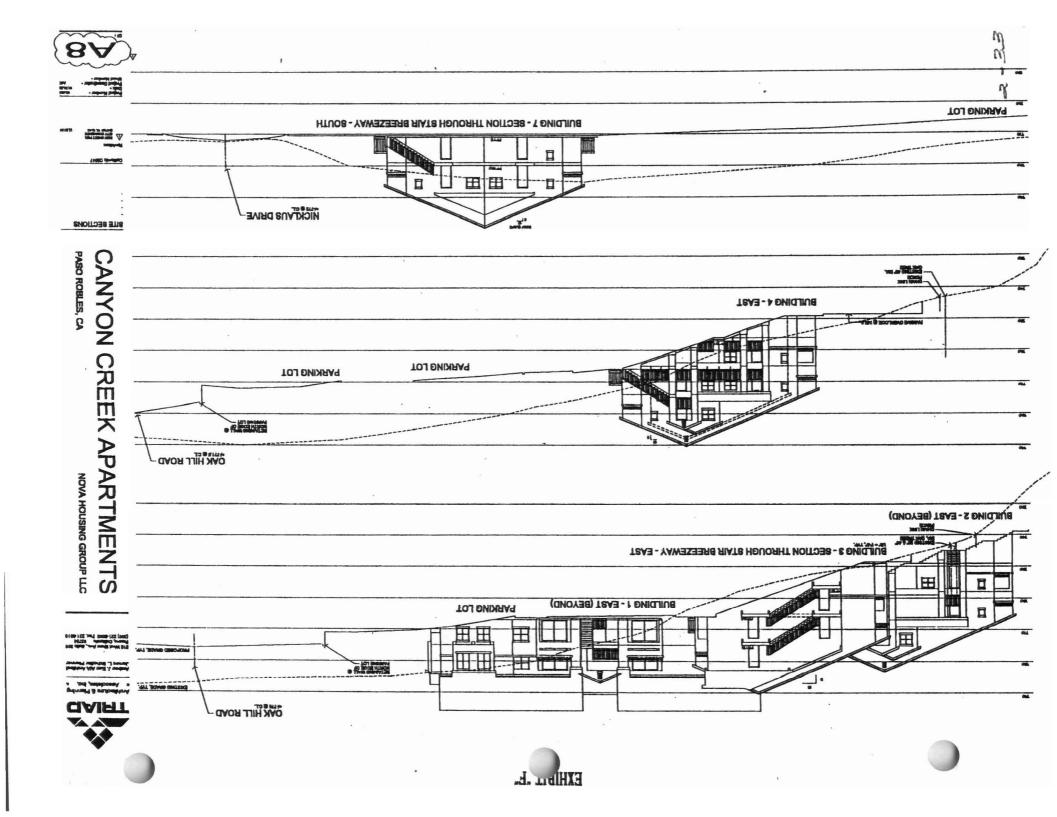
NOVA HOUSING GROUP LLC





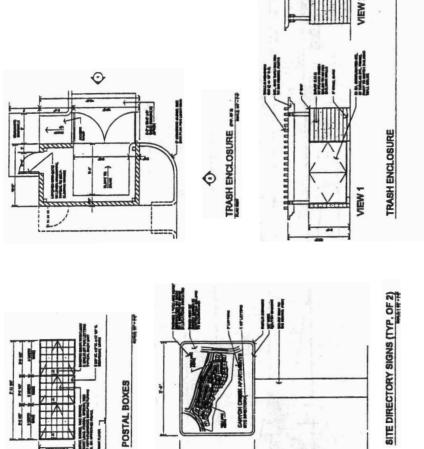
EXHIBIL "E"

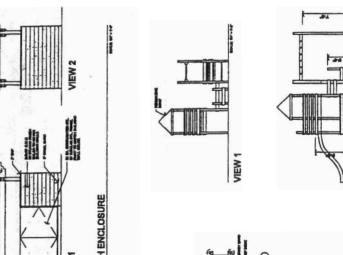


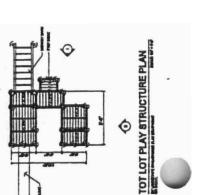








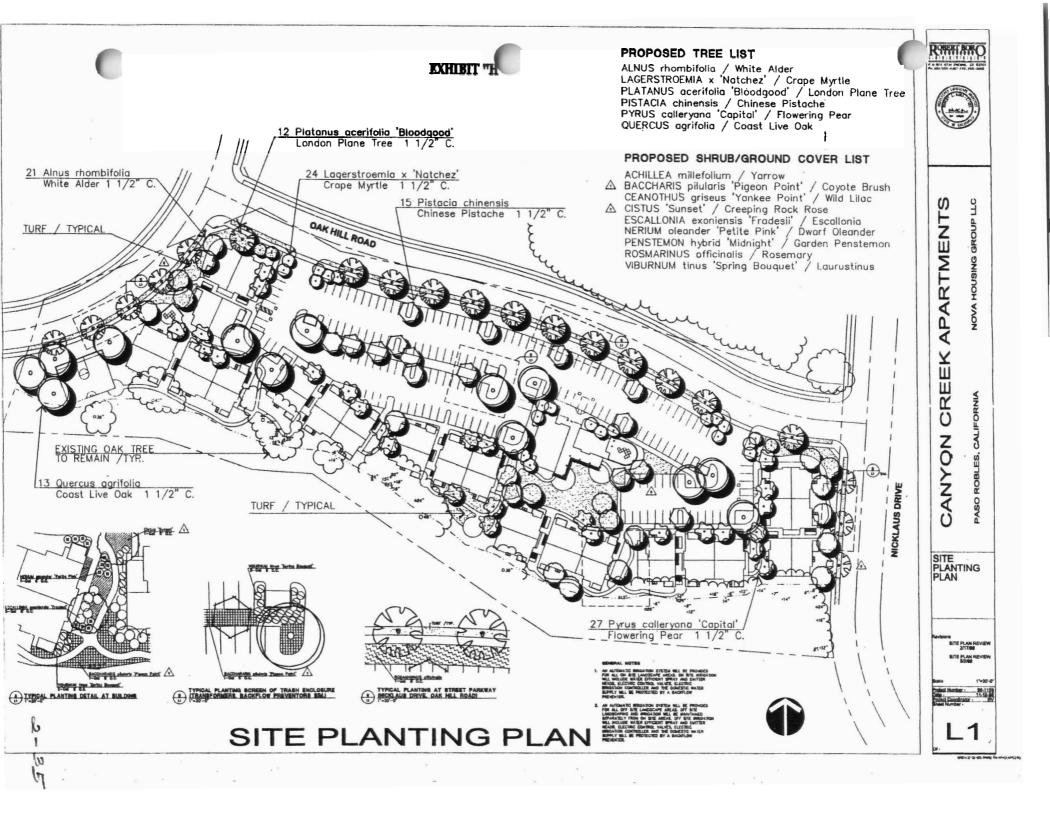




VIEW 2

A Friends

SITE PATURE DETAILS



RESOLUTION NO: PC 99-049

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PASO ROBLES APPROVING A NEGATIVE DECLARATION FOR PLANNED DEVELOPMENT 98016 (NOVA HOUSING GROUP)

WHEREAS, Nova Housing Group has filed an application for a development plan to authorize the construction of 80 multi-family apartment units; and

WHEREAS, an Initial Study was prepared for this project (on file in the Community Development Department), which concludes that the project must be revised to incorporate several mitigation measures in order to avoid significant environmental impacts; and

WHEREAS, a Mitigation Monitoring Plan, listing all of the mitigation measures is attached as Exhibit "A"; and

WHEREAS, the applicants have signed an agreement to implement the mitigation measures, a copy of this agreement is attached to this resolution as Exhibit "B"; and

WHEREAS, Public Notice of the proposed Negative Declaration was given as required by Section 21092 of the Public Resources Code; and

WHEREAS, a public hearing was conducted by the Planning Commission on May 11 and 25, and June 8 and 22, 1999, to consider the Initial Study prepared for this application, and to accept public testimony regarding this proposed environmental determination for the proposed code amendment; and

WHEREAS, based on the information contained in the Initial Study prepared for this code amendment and testimony received as a result of the public notice, and subject to implementation of the mitigation measures listed in Exhibit "A", the Planning Commission finds no substantial evidence that the project would have a significant impact on the environment;

NOW, THEREFORE, BE IT RESOLVED, that based on the City's independent judgment, the Planning Commission of the City of El Paso de Robles does hereby approve a Mitigated Negative Declaration for Planned Development 98016 in accordance with the California Environmental Quality Act subject to implementation of the mitigation measure listed in Exhibit "A".

PASSED AND ADOPTED THIS 22nd day of June, 1999 by the following roll call vote:

AYES: NOES:	
ABSENT: ABSTAIN:	
ADSTAIN;	
	CHAIRMAN ED STEINBECK
ATTEST:	

ROBERT A. LATA, PLANNING COMMISSION SECRETARY

ED\PD-CUP\NOVA\NEG DEC RESO

EXHIBIT A

MITIGATION MONITORING PLAN

Mitigation Measure	Time Frame	Monitoring Agency
 Biological: The applicant shall retain a qualified biologist to monitor the site during construction. If the biologist finds raptor nests on the site, the following mitigation measures shall be implemented: a. To avoid taking of active raptor nests, necessary tree removals or pruning should be conducted between September 15 and February 15, outside of the typical nesting season. b. If any tree removals are determined to be necessary between February 15 and September 15, a raptor nest survey shall be conducted by a qualified biologist prior to any identified tree removals or pruning. c. If the biologist determines that a tree slated for removal or pruning is not currently used by nesting raptors, the applicant shall apply for appropriate permits for tree removal or pruning. 	Prior to issuance of a Building or Grading Permit	Planning & Engineering Divisions through contracted third party review paid for by the applicant.
Biological: The applicant shall implement the following mitigation measures to minimize impacts to potential aquatic wildlife resources of the project site: a. A minimum setback from the upland edge of riparian vegetation shall be established through documented consultation with the CDFG and USFWS. b. Sedimentation and erosion control measures shall be implemented during construction, and construction activities in or near stream channels should be limited to the dry season to avoid impacts from increased runoff and sedimentation (i.e. May 15, to October 15th). c. Creek banks impacted as a result of construction or other activities should be revegetated as soon as possible after construction, using native riparian shrubs and ground covers. d. Drainage design features shall be implemented to reduce stormwater impacts to the creek channels resulting from increased hardscape runoff. e. Prior to construction, a 2-day/2-night California red-legged frog survey shall be conducted, according to USFWS protocol for the species.	Prior to issuance of a Building or Grading Permit	Planning & Engineering Divisions through contracted third party review paid for by the applicant.

Biological: Between the months of May and July, the applicant shall retain a qualified biologist to perform a survey of the site for the presence of shining navarretia, one-awned spineflower, and the ovalleafed snapdragon in accordance with requirements established by the US Fish and Wildlife Service (USFWS) and California Department of Fish and Game (CDFG). If special status plant species are found on site, specific measures for avoiding or mitigating impacts will then be identified and implemented through documented consultation with USFWS and CDFG.

Prior to issuance of a Building or Grading Permit Planning & Engineering Divisions through contracted third party review paid for by the applicant.

Wetlands Protection: The applicant shall implement the following mitigation measures to minimize impacts to the creek along the south side of the site, which is considered a wetland:

- a. Implement erosion control measures during construction and limit construction activities adjacent to riparian/wetland areas to dry weather periods in order to avoid impacts related to increased runoff and sedimentation from the project site.
- b. Prior to commencement of construction, place highly-visible temporary fencing along the upper streambanks and limit construction activities to areas located outside of the fenced areas.
- c. During construction, avoid cleaning and refueling of equipment and vehicles within the vicinities of the existing channels and associated wetland and riparian habitats.
- d. Following completion of construction-related activities, revegetate all disturbed and barren areas with appropriate native vegetation to reduce the risk of erosion and sedimentation into the adjacent drainages.

Prior to issuance of a Building or Grading Permit and during construction Planning & Engineering Divisions through contracted third party review paid for by the applicant.

Oak Trees:

a. A qualified arborist shall monitor grading and trenching to ensure that oak trees are protected in the manner depicted in the "Tree Protection & Tree Preservation Report for Canyon Creek Apartments" dated February 6, 1999, prepared by Jack Brazeal. During grading

Engineering Division

Mitigation Measure	Time Frame	Monitoring Agency
b. The applicant shall submit to the Community Development Department written certification from a qualified arborist that the oak trees have not been damaged as a result of construction.	Prior to issuance of a Certificate of Occupancy	Planning & Building Divisions
Oak Trees: The applicant shall submit a written verification from a certified arborist that all mitigation measures as outlined in the arborist report dated February 6, 1999 have been included with the grading construction proposed adjacent to existing oak trees.	Prior to issuance of a Grading Permit	Engineering Division
Oak Trees: As required in the arborist report dated February 6, 1999, prior to the issuance of a construction permit to install the sewerline and storm drain lines, the applicant shall submit a written confirmation from a certified arborist that the alignment of these pipelines will not impact the health of the oak trees or that mitigation measures will be implemented so as not to impact the existing oak trees.	Prior to issuance of a Grading Permit	Engineering Division
Archaeological: A Phase II Archaeological Study shall be conducted, as recommended by "An Archaeological Survey of the Nova Housing Group Property", dated November 9, 1998, prepared by Heritage Discoveries, Inc. All recommendations of the Phase II Archaeological Study shall be incorporated into the project development.	Prior to issuance of a Grading Permit	Planning Division
Air Quality: The following air quality mitigation measures shall be included in the project: a. Bike racks; b. Energy efficient appliances; c. double-paned windows; d. Increase wall and ceiling insulation beyond Title 24 requirements; e. Insulate hot water pipes.	Building Permit Review	Planning & Building Divisions
Air Quality: The following air quality mitigation measures shall be followed: a. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site; b. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible; building pads should be laid as soon as possible after grading unless seeding or soil binders are used;	During construction	Engineering & Building Divisions
	During	

Mitigation Measure	Time Frame	Monitoring Agency
 c. Vehicle speed for all construction equipment shall not exceed 15 mph on any unpaved surface at the site; d. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two fee of freeboard in accordance with CVC Section 23114; e. Sweep streets at the end of the day if visible soil material is carried onto adjacent paved roads. 	construction	Engineering Division
Traffic Circulation: A Bus Shelter, of the dark green metal type installed at various locations throughout the City, shall be installed to City Standards in a location in front of the project site to be determined by the Directors of Public Works and Administrative Services.	Prior to issuance of a Certificate of Occupancy	Planning & Building Divisions
Traffic Circulation: The west side of Nicklaus Street from the edge of existing full improvements at the south end of the Alder Creek Condominium property to the edge of existing full improvements at the north end of Pat Butler School Property, shall be fully-improved with concrete curb, gutter, sidewalk, paving (between the gutter and existing edge of pavement), and streetlights in accordance to City Standards and Specifications.	Prior to issuance of a Certificate of Occupancy	Engineering Division
Traffic Circulation: As indicated in the Traffic Report dated February 24, 1999, the applicant shall construct the northwest curb return at Oak Hill Road and Nicklaus Street.	Prior to issuance of a Certificate of Occupancy	Engineering Division
Traffic Circulation: The applicant shall obtain the necessary right-of-way to improve both sides of Oak Hill Road from South River Road to the project property line, and to make half-width improvements plus 12-feet wide of paving along the project frontage to Nicklaus Street. These improvements shall include but not be limited to concrete curb, gutter, sidewalk, parkway landscaping and irrigation, streetlights, striping, signage and utilities, all in accordance to the City's Standards and Specifications.	Prior to issuance of a Certificate of Occupancy	Engineering Division
Traffic Circulation: The applicant shall install a traffic signal at the intersection of Nicklaus and Niblick Road. The applicant may, at his discretion, request from the City Council, to be reimbursed for a portion of the installation costs.	Prior to issuance of a Certificate of Occupancy	Engineering Division

Time Frame

Monitoring Agency

Public Services, Parks and Recreation: In accordance with Implementation Measure II for Objective A of the Housing Section of the 1999 Economic Strategy for the City of El Paso de Robles, approval of PD 98016 shall not be effective until the applicant provides proof that the following has been accomplished:

a. A local non-profit or public entity with a proven track record in ownership and management be the general managing partner or controlling ownership interest in the project.

b. Commitment to provide adequate recreation, childcare facilities, and after-school programs with a guarantee for their long-term viability.

Aesthetics: Per the direction of the Development Review Committee given April 26, 1999, the following changes shall be made to the project:

a. Soften the "massing" effect of the roofs via use of full hips or other methods to be approved by either the DRC or Planning Commission;

b. Increase the amount of relief articulation around doors and windows:

c. Revise the proposed color palette to provide door and trim colors that are less bright than the proposed "robust red" (e.g. forest green); Prior to issuance of a Building Permit Planning Division/ other applicable advisory bodies.

Prior to issuance of a Building Permit Planning Division

EXHIBIT B

CITY OF EL PASO DE ROBLES MITIGATION AGREEMENT FOR PROPOSED NEGATIVE DECLARATION

City of El Paso de Robles

Director of Community Development

Lead Agency:

	1000 Spring Street Paso Robles, CA 93446
	1 aso Robies, Car 7540
Contact Person:	Ed Gallagher
File No.:	Planned Development 98016
Applicant:	Nova Housing Group LLC
Project Description:	to construct 80 multi-family dwelling units for occupancy by low income households
Location:	West side of Nicklaus Road, approximately 700 feet south of Niblick Road
MITIGATION AG	REEMENT:
in order to avoid or adverse effects woul mitigation measures	ion Monitoring Plan, as identified in the related Initial Study, which are necessary reduce any adverse environmental effects to a point where clearly no significant doccur as a result of the projects approval. I also understand that additional may be required following the review of the "Proposed Negative Declaration" by applicable advisory and final decision-making bodies.
FUTURE INDEPE	NDENT CEQA REVIEW:
mitigation measures development plans	ad property owner, we understand and hereby agree that in addition to the identified in Exhibit "A", the City reserves the right to further review future within the Project for CEQA compliance independently of the Initial Study on 99, to adopt a Mitigated Negative Declaration for Planned Development
This agreement shall	be binding on the applicant/owner and on any successors in interest.
City of El Paso de l	REOF, the Community Development Director or his assign, representing the Robles, and the applicant/owner or his legal representative have executed thisday of, 1999.

Mitigation Agreement, Page 2

APPLICANT:

NOVA HOUSING GROUP LLC.

6729 N. Palm Avenue, Suite 200

Fresno, CA 93704-1077

CITY OF EL PASO DE ROBLES

By:_

ED GALLAGHER

Housing Programs Manager

AGREEMENT BETWEEN THE CITY OF EL PASO DE ROBLES AND CANYON CREEK ASSOCIATES FOR PAYMENT IN LIEU OF TAXES

THIS AGREEMENT FOR PAYMENT IN LIEU OF TAXES (the "Agre	ement)
is entered into this day of, 1999, by and betw	een the
CITY OF EL PASO DE ROBLES, a municipal corporation organized and	
under the laws of the State of California ("City") and the CANYON	CREEK
ASSOCIATES, a California limited partnership ("Canyon Creek") who a follows:	igree as

Recitals

- A. Canyon Creek is in the process of developing a seven acre parcel of certain real property located on the west side of Nicklaus Road at its future intersection with Oak Hills Road (the "Property"), which is located within the City of El Paso de Robles. Canyon Creek intends to construct eighty (80) for-rent, multifamily dwelling units for low income households (the "Project") on the Property.
- B. Canyon Creek has obtained an allocation of federal tax credits in order to assist in the financing of the Project. As a condition of obtaining federal tax credits, Canyon Creek has agreed to enter into a partnership with a non-profit organization that will manage the Project.
- C. Inclusion of a non-profit organization in the partnership may qualify the Project to receive the welfare exemption under Section 214(g) of the California Revenue and Tax Code. Canyon Creek desires to ensure, to the extent legally permissible, that the City will not suffer any loss of its share of property tax revenues and that the payments to be made under this Agreement are intended to reimburse the City for its delivery of services to the Project, including police protection, fire protection and general administrative costs.

Agreements

NOW, THEREFORE, in consideration of the mutual conditions, promises and covenants hereinafter contained, the parties agree as follows:

Section 1. Parties

- a. The City is a municipal corporation. The office of the City is located at 1000 Spring Street, Paso Robles, California, 93446.
- b. Canyon Creek is a California limited partnership. Canyon Creek's offices are located at c/o NOVA HOUSING GROUP< LLC, 6729 N. Palm Avenue, Suite 200, Fresno, California, 93704-1077. Wherever the term "Canyon Creek" is used herein, such term shall include any permitted nominee, assignee or successor in interest as herein provided.

Section 2. Acquisition and Development of the Property

- a. The Property is described in Exhibit A, attached hereto and incorporated herein by this reference.
- b. Canyon Creek intends to acquire the Property and develop the Project on the Property. Canyon Creek agrees that it will be responsible, at its sole cost and expense, for applying for and obtaining all necessary environmental and land use approvals and making any submissions required by the City for the development of the Project.

Section 3. Canyon Creek Annual Payments

- a. In the event Canyon Creek applies for and receives a Welfare Exemption pursuant to Section 214(g) of the California Revenue and Taxation Code, Canyon Creek agrees that, so long as it elects to maintain such exemption, it will make payments to the City in an amount equal to what the City would otherwise have received as its share of ad valorem property taxes from the Property and the improvements thereon (the "Annual Payment") as determined by the San Luis Obispo County Tax Collector, and as increased annually by the amount permitted under the provisions of Article XIIIA, Section 2, of the California Constitution. Notwithstanding the foregoing, in the event that Canyon Creek provides evidence reasonably satisfactory to the City that the payments to be made by Canyon Creek under this Agreement would make Canyon Creek ineligible for such Welfare Exemption, Canyon Creek shall have no obligation to make such Annual Payments and this Agreement shall terminate.
- b. The first Annual Payment shall be due on December 31 of the first year in which it qualifies for the Welfare Exemption, and shall be paid on each subsequent December 31 for as long as such Welfare Exemption is in effect. The amount of such obligation for the first year will be prorated based upon the number of months that the project is operating during the first year. The "Date of Operation" shall be simultaneous with the City's issuance of a Certificate of Occupancy for the entire project.

Section 4. Indemnification

Canyon Creek hereby indemnifies and holds the City harmless from all demands, claims, actions and damages to any person or property brought by a third party and arising out the City's execution of this Agreement.

Section 5. Default

Failure by either party to perform its obligations hereunder shall constitute a default under this Agreement, and the other party may institute legal action to cure, correct or remedy such default, to recover damages for such default or to obtain any other remedy whether at law or in equity, consistent with the purpose of this Agreement.

00-45

Section 6. Termination of this Agreement

This Agreement and the obligations of Canyon Creek and City hereunder shall terminate if Canyon Creek does not obtain a Welfare Exemption or determines it no longer will elect to receive such Welfare Exemption under Section 214(g) of the California Revenue and Tax Code. The Agreement may also terminate by the written approval of both the City and Canyon Creek.

Section 7. Miscellaneous Provisions

- a. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- b. <u>Time of the Essence</u>. Time is of the essence of each and every provision of this Agreement.
- c. <u>Notices</u>. Notices or other communications given under this Agreement shall be in writing and shall be served personally or transmitted by first-class mail, postage prepaid. Notices shall be deemed received either at the time of actual receipt or, if mailed in accordance herewith, on the third (3rd) business day after mailing, whichever occurs first. Notices shall be directed to the parties at the following addresses or at such other addresses as the parties may indicate by notice:

City of El Paso de Robles 1000 Spring Street Paso Robles, CA 93446 Attention: City Manager

Canyon Creek Associates c/o NOVA Housing Group LLC 6729 N. Palm Avenue, Suite 200 Fresno, CA 93704-1077 Attention: Jeffrey H. King

- d. <u>Headings</u>. The titles and headings of the various sections of this Agreement are intended solely for reference and are not intended to explain, modify or place any interpretation upon any provision of this Agreement.
- e. <u>Waiver</u>. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- f. <u>Further Assurances</u>. The parties shall execute, acknowledge, file or record such other instruments and statements and shall take such additional action as may be necessary to carry out the purpose and intent of this Agreement.

- g. <u>Binding Effect</u>. This Agreement shall be binding upon and inure to the benefit of the parties' respective heirs, legal representatives, successors and assigns.
- h. <u>Entire Agreement</u>. This Agreement and Exhibit A, which is incorporated herein, together constitute the entire agreement between the parties and supersede all prior or contemporaneous agreements, representations, warranties and understandings of the parties concerning the subject matter contained herein, written or oral. No change, modification, addendum or amendment to any provision of this Agreement shall be valid unless executed in writing by each party hereto.

IN WITNESS WHEREOF, the City and Canyon Creek have caused this Agreement to be executed by their respective representatives thereunto duly authorized as of the dates set forth below their signatures. The effective date of this Agreement shall be the date it is signed by the City.

CITY:

CITY OF EL PASO DE ROBLES

DY:_		
,	Duane J. Picanco	
	Mayor	
Attes	at:	
	••	
By:_		
-	Dennis Fansler	
	City Clerk	

-AND-

CANYON CREEK ASSOCIATES:

CANYON CREEK ASSOCIATES, a California limited partnership

By NOVA Housing Group LLC, General Partner

Jeffrey H. King Member

Thomas B. Balch, Managing Member

Exhibit A

Property Description

[to be inserted]

MEMORANDUM OF UNDERSTANDING

Peoples' Self-Help Housing Corporation ("PSHHC") and NOVA Housing Group ("NOVA"), by signing below, indicate agreement on the terms for PSHHC to become the Non-Profit Managing General Partner of Canyon Creek Associates Limited Partnership, the ownership entity for the Canyon Creek Apartments in Paso Robles, as outlined below:

- 1. PSHHC will be admitted as the managing general partner of the Canyon Creek Associates Limited Partnership, with all rights and duties normally associated with that role. Final terms and conditions of the agreement will be finalized in conjunction with the execution of a Partnership Agreement between PSHEC, NOVA, and the tax-credit investor, SunAmerica. NOVA shall assume and maintain all risk and liability during construction. PSHEC shall assume responsibility for operating deficit and compliance risk guarantees only.
- PSHHC and NOVA have agreed upon an initial operating budget that supports the goal of PSHHC to properly maintain and operate the development, as well as to deliver desired social services to the property's residents.
- PSHHC reserves the right to participate in discussions regarding the final terms and conditions of the revised Partnership Agreement with SunAmerica.
- 4. The Duncan Group, an affiliate non-profit of PSHHC, will receive a contract to manage the completed development. PSHHC and NOVA have agreed upon an initial management fee equal to 7% of rental revenue to be paid to The Duncan Group to provide such services, as specified in Exhibit 1. PSHHC agrees that such fee can be paid as a management fee equal to 5% of rental revenue (as a partnership expense) plus an additional share of residual cashflow equal to 2% of rental revenue. Any amounts to be received from residual cash flow shall not count towards the 25% of cash flow PSHHC shall receive pursuant to #6 below.
- 5. PSHHC and NOVA agree that PSHHC and/or The Duncan Group shall have the right to increase the initial operating expense budget on an annual basis in an amount tied to increases in the Consumer Price Index or to such amounts deemed necessary to ensure the ongoing financial viability of the development. PSHHC and/or The Duncan Group shall not seek increases in the initial or prior year operating budget amounts unless necessitated by cost increases, and shall forward a draft operating budget to NOVA for approval 90 days prior to the end of the fiscal year. NOVA shall have the right to approve the proposed operating budget, provided however that such approval shall not be unreasonably withheld.

PSHHC shall be entitled to 25% of the total developer fee from the CANYON CREEK 6. APARTMENTS, L.P., payable as such fee is paid out by the Partnership, in proportion to the fee paid to NOVA, whether from development proceeds or from residual cash flow from the operations of the Canyon Creek Apartments. PSHHC shall also be entitled to 25% of the General Partner's share of cash flow from operations, subject to certain minimum amounts, as follows: During the years, if any, that any deferred developer fee is outstanding, if there is not sufficient residual cash flow to pay a \$10,000 fee to PSHHC. NOVA shall pay a fee to PSHHC in the amount of the shortage. After all deferred developer fee amounts are paid, the minimum amount PSHHC shall receive shall be increased to \$20,000 annually. In years that PSHHC's 25% share exceeds \$20,000, NOVA shall receive a payment in the amount of the excess until any advances made to PSHHC during previous years have be paid back. Interest, if any, on advances made from NOVA to PSHHC shall be negotiated at a later date.

NOVA HOUSING GROUP

PEOPLES' SELF-HELP HOUSING CORPORATION

Date: June 22 1999

TOTAL P.03

2-51



RECEIVED

July 12, 1999

Mayor Duane J. Picano and Members of the City Council City of El Paso de Robles 1000 Spring Street Paso Robles, CA 93446

RE: Canyon Creek Apartments - PD 98016

Gentlemen.

For the last year, we have worked with your staff to prepare and process a Planned Development application for 80 units of affordable rental housing. We have been through numerous design changes and expended considerable sums in hiring consultants to complete the specialized studies requested by Staff. We believe that work completed by all parties has created a significant new housing opportunity for the community. The results of this process culminated with the approval of the Planning Commission on June 22. The purpose of this letter is to supplement the materials contained within the Staff Report regarding the approval for the above referenced project. These materials include:

- 1) A vicinity map and color drawings of the project. The large-scale renderings will be present at the City Council hearing on July 20,
- 2) A list and resumes of the principals and consultants involved in this project,
- 3) A letter summarizing the legal authorities under which the application for this project was submitted.

This letter is also our formal request for City Council approval of the reimbursement agreements contained in the conditions of approval from the Planning Commission. These reimbursements cover the cost of the traffic signal construction at Niblick and Nicklaus, which is not the responsibility of the Applicant. The conditions of approval also contain obligations for reimbursements for work that is a condition of adjoining projects and for which bonds have been posted.

Mayor Picano Page 2 July 12, 1999

This project benefits the community and the City by providing over \$680,000 in capital improvement and building permit fees, and annual income in excess of \$25,000 from the Payment in Lieu of Taxes agreement. The school district benefits from a payment of approximately \$200,000 in development fees. Moreover, the entire Community benefits from the construction of Oak Hill Road between the Lucky Center and Nicklaus, the connection of the sidewalk, curb and gutter on the west side of Nicklaus between Pat Butler School and Niblick, and the installation of a traffic signal at Niblick and Nicklaus.

However, the most important benefit is that the community is able to demonstrate progress towards meeting its commitment to affordable housing by approving construction of 80 units of housing affordable to families earning 46% of the median county income.

We look forward to presenting this project to the City Council meeting on July 20.

Sincerely,

Jeffrey H. King, Member

Peoples' Self-Help Housing Corporation

July 9, 1999

Jeff King, Member Nova Housing Group 6729 North Palm Avenue, #200 Fresno, CA 93704

RE: Canyon Creek Apartments, Paso Robles, CA

Dear Jeff:

You have requested that Peoples' Self-Help Housing Corporation ("PSHHC") provide you with a synopsis regarding our intent and expectations for the rent-up and marketing of units at the Canyon Creek Apartments in Paso Robles. PSHHC's non-profit affiliate, The Duncan Group, will be responsible for all marketing, rent-up, and property management activities at the Canyon Creek Apartments pursuant to the agreement between Nova Housing Group and PSHHC dated June 22, 1999.

It is our expectation that the vast majority, if not all, of Canyon Creek's 80 units will be occupied by households already residing in the City of Paso Robles. The demand for decent, affordable rental housing in Paso Robles is extremely high. Many households are currently living in substandard units or in overcrowded situations, often doubling up in units designed for one household in order to better afford the rent.

As is done for all affordable rental developments managed by The Duncan Group, a preference will be given for applicants currently residing in Paso Robles. A secondary preference will be given to applicants currently working in Paso Robles but residing elsewhere. The affordable rents and the attractiveness of the design and location of the Canyon Creek Apartment make certain that there will be far more applicants that units available. These local preferences ensure that local residents will go to the top of the list for both initial and subsequent occupancy.

Please feel free to contact me should you have any questions or require additional information.

Sincerely,

Mark Wilson

Programs Manager

FAX: (805) 544-1901 E-mail: admin@pshhc.org www.pshhc.org



HOUSING AUTHORITY

OF THE CITY OF PASO ROBLES

nst Office Box 817 Phone (area code 805) 238-4015
ASO ROBLES, CALIFORNIA 93447

RECEIVED
JUL 2 0 1999

July 16, 1999

Dear Members of the City Council:

At our July 13, 1999 Board Meeting, Councilman Tom Baron requested that the Board of Commissioners provide input on a 80 unit tax credit development in the area of South River Road and Niblick Road.

One of the main concerns the Board raised was that in this type of project, investors would all get tax incentives for 15 years and due to the property tax exempt feature of the project, the local tax payers would have to provide for the additional police, fire, and street maintenance services. Another concern was how the potential of a large number of children was going to affect the school system.

Although the Board of Commissioners are concerned about the large number of very low income without adequate housing, the rent structure of the proposed project would be in the \$400 per month range, which is slightly lower that the private sector rent.

The vote of the Board of Commissioners was to not support this project.

Chet Dotter, Chairman

Sincerely yours,

Board of Commissioners

MEMO

TO: Bob Lata, Director

Community Development

FROM: Doug Hamp, Chief

Department of Emergency Services

CC: Ed Gallagher, Housing Manager

DATE: July 28, 1999

SUBJECT: NOVA 80 Unit Low Income Housing Development

I have reviewed the project plans along with the Fire Marshal and find that no unusual challenges are presented.

Water systems, access, vegetation management and the like have been addressed in the development process.

My only concern is the <u>city wide</u> challenge to the current fire and life safety response system keeping pace with growth.



PASO ROBLES PUBLIC SCHOOLS

Patrick J. Sayne, Ed. D., Superintendent

800 Niblick Road, P.O. Box 7010 • Paso Robles, CA 93447 Tel (305) 238-2222 • Fax (805) 237-3339

TRUSTEES
Jeanne Dugger
Pat Johnson
Bob Machado
Joe E. Quiroz

Pat Swindell

Diane Ward
Dawn Zmugg

August 5, 1999

Mr. Ed Gallagher Housing Program Manager City of El Paso de Robles 1000 Spring Street Paso Robles, CA 93446

RE: Planned Development 98016

Dear Mr. Gallagher:

Thank you for the opportunity to comment on planned development 98016, a proposed eighty-unit low-income housing project adjacent to Pat Butler Elementary School. Based on eighty units, we estimate that the student impact to the Paso Robles Public Schools to be as follows:

K-5		6-8	*	,		9-12			
				*		1 1.		W .	
21.6		8.56	. ,	<i>:</i> ···	٠	11.76			

Student generation factors (SGF) are dynamic and change from year to year. Moreover, since the majority of residential development that has occurred over the last three years has been in single family residential development, the current SGF does not reflect the larger numbers of students per household which are normally associated with multi-family developments.

Pat Butler Elementary School is already at capacity. Therefore, students generated from this development will be unable to attend their neighborhood school. Paso Robles High School is also at capacity and will require additional relocatable classrooms to accommodate students generated from this development.

Although we recognize that this development will impact our school system, we are also aware that the passage of Senate Bill 50 prohibits cities from denying development projects on the basis of school overcrowding and prevents school districts from making such a request.

It is our understanding that the applicant will apply for a "Welfare Exemption," pursuant to Revenue and Taxation Code 214g. It is also our understanding that the "Welfare Exemption" will result in the loss of property tax revenues to the City of Paso Robles; for the District, this is not the case. School district operational funding is based primarily on two components: The

first component is the school district's share of the 1% maximum property tax rate; the second component is state aid. If property taxes are reduced (as may be the case with the "Welfare Exemption"), the State has a constitutional obligation to "backfill" the amount of the loss with State Aid. In this way, the District is "held harmless" from downturns in the local economy, and the possible effects of such downturns on the local property tax base.

I hope the information I have provided you will be useful in the City's consideration of this project. However, if you have additional questions, or need more information, please contact me at (805) 238-2222, extension 209.

Respectfully,

Patrick Sayne Superintendent

ES/es

C: Eric D. Smith

Peoples' Self-Help Housing Corporation

July 23, 1999

Ed Gallagher, Housing Programs Manager City of Paso Robles City Hall 1000 Spring Street Paso Robles, CA 93446

RE: **Canvon Creek Apartments**

Dear Ed:

The purpose of this letter is to elaborate on Peoples' Self-Help Housing Corporation's ("PSHHC") agreement to act as the managing general partner for the above captioned development.

As you know, PSHHC has entered into a Memorandum of Understanding ("MOU") dated June 22, 1999, with NOVA Housing Group, LLC, the developer of the Canyon Creek Apartments. This MOU allows and obligates PSHHC to become the managing general partner in the Canyon Creek Associates Limited Partnership, the owner of the Canyon Creek Apartments, among other stipulations. While it may be legally possible for PSHHC to opt out of the partnership in future years and have another entity substituted in its place, two issues make this eventuality impossible:

- PSHHC will sign an Operating Deficit Guarantee with the limited partner/tax credit investor, whereby PSHHC agrees to cover any operating deficits incurred in the operations of the Canyon Creek Apartments. Therefore, the limited partner/tax credit investor, which owns a 99% interest in the property and must consent to any substitution of general partners, would not allow such a substitution.
- 2 PSHHC will also be a party to the conventional bank loan that will be a substantial part of the financing for this development. The lending bank will rely upon PSHHC's financial backing to make the loan, and will not allow for such a substitution.

As you can see, the above issues make it very difficult, if not impossible, for PSHHC to opt out of its role as the managing general partner. As far as PSHHC "selling" out its interest, there is no real value to such an interest, only the very real financial liabilities mentioned above.

Please feel free to contact me should you have any further questions regarding this issue.

Sincerely,

Mark Wilson

Programs Manager

npleo Street

San Luis Obispo, California 93401 TEL: (805) 781-3088 FAX: (805) 544-1901 E-mail: admin@pshhc.org

www.pshhc.org

A United Way Agency

29 E. Canon Perdido Street Santa Barbara, California 93101 TEL: (805) 962-5152 FAX: (805) 962-8152

2-59

LOW INCOME HOUSING IN SAN LUIS OBISPO COUNTY

	Households (HH) Low		Low Inco	ome HH	Low Income Rentals		Low Income	e Ownership	Total Low Income	
Community	#	% ¹	#	% ²	#	% ¹	#	% ¹	#	% ¹
Arroyo Grande	5,717	7%	2,115	37%	124	8%	0	0%	124	6%
Atascadero	8,557	11%	2,841	33%	54	4%	15	3%	69	3%
Grover Beach	4,478	6%	1,920	43%	0	0%	11	2%	11	1%
Могго Вау	4,515	6%	2,108	47%	126	9%	0	0%	126	6%
Paso Robles	6,976	9%	3,033	43%	366	25%	127	24%	493	25%
Pismo Beach	3,745	5%	1,466	39%	12	1%	0	0%	12	1%
San Luis Obispo (City)	16,920	21%	8,171	48%	594	40%	0	0%	594	30%
County unincorporated area	29,287	37%	9,936	34%	196	13%	382	71%	578	29%
Total for SLO County	80,195	100%	31,590	39%	1,472	100%	535	100%	2,007	100%

NOTES:

- 1. Percentage is that of all households or units in the County.
- 2. Percentage is of all households in each respective community.

