



NOTICE OF REGULAR MEETING MEETING **Sacramento Housing and Redevelopment Commission**

Wednesday, May 18, 2016 – 6:00 pm
801 12th Street
2nd Floor Commission Room
Sacramento CA

ROLL CALL

APPROVAL OF AGENDA

CITIZENS COMMENTS

While the Commission welcomes and encourages participation in the Commission meetings, please limit your comments to three minutes, so that everyone may be heard. If you wish to speak under Citizens Comments or on a posted agenda item, please fill out a speaker card and present it to the Agency Clerk. SHRA provides opportunities for the public to address the Commission at this time in order to listen to opinions regarding non-agendized matters within the subject matter jurisdiction of SHRA. Consistent with the Brown Act, the public comment periods on the agenda are not intended to be "question and answer" periods or conversations with Commission members. Members of the public with questions are encouraged to contact staff before or after the meeting. Commission attendees are requested to silence any electronic devices that they have in their possession during the meeting.

1. APPROVAL OF MINUTES - May 4, 2016 Meeting

BUSINESS/DISCUSSION ITEMS

- 2. Agreement By And Between The County Of Sacramento And Taylor Morrison Of California, LLC Relative To An Affordable Housing Strategy For A Previously Approved Project (04-RZB-SDP-0233) Known As Caselman Ranch**
- 3. Sacramento Area Flood Control Agency's Assessment Vote for City, Housing Authority, and Redevelopment Agency Successor Agency Owned Properties**
- 4. Ballot Measure For The Sacramento Area Flood Control Agency's Proposed Property Assessment District To Replace The 2007 Consolidated Capital Assessment District**

SPECIAL PRESENTATIONS

- 5. SHRA Engagement Committee Activities**

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

ADJOURNMENT

REPORTS: Copies of documents relating to agenda items are available for review in the Agency Clerk's office located at 801 12th Street, Sacramento CA 95814. Agendas and reports are also posted online at www.shra.org. Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public inspection in the Agency Clerk's office during normal business hours and will also be available at the meeting.

AMERICANS WITH DISABILITIES ACT: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Agency Clerk at (916) 440-1363 at least 48 hours prior to the meeting.



INVESTING IN COMMUNITIES

MINUTES

Sacramento Housing and Redevelopment Commission (SHRC) Meeting May 4, 2016

Meeting noticed on April 29, 2016

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:00 p.m. by Chair Creswell. A quorum of members was present.

MEMBERS PRESENT: Alcalay, Creswell, Griffin, Johnson, Morgan, Painter, Raab, Rios, Staajabu

MEMBERS ABSENT: Macedo, Simas

STAFF PRESENT: La Shelle Dozier, David Levin, Vickie Smith, Lira Goff, Christine Weichert, MaryLiz Paulson, Sarah Thomas, Tyrone Williams, Anne Nicholls, Terren Wing, Tanya Tran, Greg Potts, Mark Hamilton, James Brock, Angela Hall, Donald Leeper, Rene Johnson, Brenda Wilbanks, Bozica Stanisavlevich, Greg Shaffer, Jennifer, Robbie Folks, Nicole Manning, Cecilia Gibson, Otilia Alupoaie

APPROVAL OF AGENDA – Agenda approved as submitted.

CITIZENS COMMENTS – None

1. **APPROVAL OF MINUTES** – April 20, 2016 meeting - The meeting minutes were approved unanimously as submitted.

BUSINESS ITEMS

2. **Housing Trust Fund and Mixed Income Housing Ordinance Annual Report - City**

Anne Nicholls presented the item. No action was required.

3. **Housing Trust Fund Annual Report And Affordable Housing Program Biennial Report – County**

Terren Wing presented the item. No action was required.

Chair Creswell asked about periodic notification of the balance available in the various accounts. Staff indicated that on a quarterly basis that information is released and they would send a link to the members so that they can view the information on the website.

4. Pensione K - Approval of Housing Trust Fund Loan Commitment

Terren Wing presented the item.

On a motion by Commissioner Alcalay, seconded by Commissioner Johnson, the Commission recommended approval of the revised staff recommendation for the items listed above. The votes were as follows:

AYES: Alcalay, Creswell, Griffin, Johnson, Morgan, Raab, Rios, Staajabu

NOES: none

ABSENT: Macedo, Simas

ABSTAIN: none

RECUSE: Painter

5. Approval of Housing Authority Participation in the Renewal and Expansion of the Oak Park Property and Business Improvement District

MaryLiz Paulson presented the item.

On a motion by Commissioner Griffin, seconded by Commissioner Morgan the Commission recommended approval of the revised staff recommendation for the items listed above. The votes were as follows:

AYES: Alcalay, Creswell, Griffin, Johnson, Morgan, Painter, Raab, Rios, Staajabu

NOES: none

ABSENT: Macedo, Simas

ABSTAIN: none

RECUSE: none

6. Approval of Resolution to Support The City And County Allocating Their Biannual Residual Distributions From Redevelopment Property Tax Trust Fund "Boomerang Funds" To Affordable Housing

Chair Creswell presented the item.

On a motion by Commissioner Griffin, seconded by Commissioner Raab the Commission recommended approval of the revised staff recommendation for the items listed above. The votes were as follows:

AYES: Alcalay, Creswell, Griffin, Johnson, Morgan, Painter, Raab, Rios, Staajabu

NOES: none

ABSENT: Macedo, Simas

ABSTAIN: none

RECUSE: none

SPECIAL PRESENTATIONS

7. Annual Public Housing Assessment System (PHAS) And Section 8 Management Assessment Program (SEMAP) presentations

MaryLiz Paulson, Greg Potts, Mark Hamilton, Sarah Thomas, Tanya Tran and Angela Hall made the presentation.

8. Promise Zone Update

Tyrone Williams made the presentation.

EXECUTIVE DIRECTOR REPORT

The Executive Director reviewed the following:

- 1) The next meeting will be May 18, 2016.
- 2) Thanked staff from HCV and CNV for their hard work.
- 3) Reminder about NAHRO conference starting May 15th for those signed up.
- 4) Reminder of event tomorrow at Sierra Vista and Sutterview.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None

COMMISSION CHAIR REPORT

Chair Creswell congratulated La Shelle Dozier on the Comstock's Magazine article.

ADJOURNMENT

As there was no further business to be conducted, Chair Creswell adjourned the meeting at 7:15 p.m.

Clerk



May 13, 2016

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval of Resolution Delegating Authority To The Sacramento Housing And
Redevelopment Agency For Approval Of The Affordable Housing Regulatory
Agreement With Taylor Morrison Of California LLC For The Caselman Ranch
Residential Project

SUMMARY

The attached report and resolution are submitted to you for review prior to review by the
County of Sacramento.

RECOMMENDATION

Approve staff recommendation as outlined in the report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
May 24, 2016

To: Board of Supervisors

From: Department of Community Development

Subject: PLNP2016-00092. Agreement By And Between The County Of Sacramento And Taylor Morrison Of California, LLC Relative To An Affordable Housing Strategy For A Previously Approved Project (04-RZB-SDP-0233) Known As Caselman Ranch. Environmental Document: Final Environmental Impact Report.

Supervisory Districts: Kennedy

Contact: Cindy Storelli, Principal Planner, 874-5345

Overview

Taylor Morrison of California, LLC (Developer) desires to enter into an agreement with the County of Sacramento (County) to modify the approved affordable housing plan for the Caselman Ranch project located at the northwest corner of Caselman Road and Elk Grove-Florin Road, in the South Sacramento community (Attachment 1). The approved affordable housing plan required the construction of affordable for sale units distributed throughout the market rate units in the subdivision. The project required 39 affordable units based on the prior Affordable Housing Ordinance (Ordinance). Under the adopted Ordinance, only 26 would be required to satisfy the requirements of the Ordinance. The Ordinance allows the Developer and the County to enter into an agreement to use the provisions of the adopted Ordinance to construct for sale affordable units as a credit towards the required affordability fee.

Recommendations

1. Recognize the Environmental Coordinator Memo dated April 12, 2016, and determine that the previous Final Impact Report entitled Florin-Vineyard "GAP" (Control Number: 04-RZB-SDP-SPP-UPB-AHS-0233 and 2004-GPB-CPB-0096) is still adequate and appropriate for the proposed project.
2. Adopt the attached Resolution Authorizing The Director Of Community Development To Execute An Agreement By And Between The County Of Sacramento And Taylor Morrison Of California, LLC Relative To An Affordable Housing Strategy For A Previously Approved Project (04-RZB-SDP-0233) Known As Caselman Ranch.
3. Adopt the attached Resolution Delegating Authority To The Sacramento Housing And Redevelopment Agency For Approval Of The Affordable Housing Regulatory Agreement With Taylor Morrison Of California LLC For The Caselman Ranch Residential Project.

Measures/Evaluation

This Development Agreement complies with the Ordinance adopted by the Board of Supervisors on February 25, 2014 and will result in the construction of 26 affordable for-sale housing units.

Fiscal Impact

County Code 22.35 relating to Affordable Housing requires an affordability fee to be paid on residential dwelling units. The Ordinance also provides for a fee credit for the construction of affordable units. This development agreement authorizes a fee credit of \$1,430,933 in exchange for the construction of 26 affordable units in the Caselman Ranch project. There is no departmental budget impact.

BACKGROUND

The Caselman Ranch project approved on March 8, 2011 included an affordable housing plan that required the construction of 39 affordable for sale units distributed throughout the project.

Due to the adoption of the amended Ordinance on February 25, 2014, the Developer has different options to meet their affordable housing obligations. Pursuant to Section 22.35.030, the standard affordable housing component requires that development projects shall 1) pay an affordability fee on all newly constructed market rate units, or 2) comply with the development project's approved affordable housing plan, if one exists, or 3) enter into a development agreement or other form of agreement with the County which provides for a fee credit for the production of affordable housing pursuant to Section 22.35.030(A)(3).

For this particular project, the three choices are:

1. Pay the affordability fee pursuant to the new Ordinance on each building permit as it is issued. On January 4, 2016, the Developer submitted a revised map with 255 lots that was determined to be in substantial compliance with the approved plan. The total affordability fee for this map would be \$1,430,933 (note this amount may ultimately differ as the fee is adjusted annually); or
2. Use the approved affordable housing plan based on the prior Ordinance, which required the construction of 39 for sale affordable units; or
3. Enter into a development agreement with the County to allow a credit for the construction of a reduced number of for sale affordable units instead of paying the affordability fee on the now proposed 255 units. Guidelines adopted by the Board of Supervisors on June 9, 2015 provide guidance on how to calculate the number of homes that must be constructed to offset the required affordability fee. The revised number is now 26 affordable units.

DISCUSSION

The Developer of Caselman Ranch is preparing the final map for recordation. This final map will be recorded in two phases. The first phase will contain 137 lots, and the second phase will be 118 lots. On February 9, 2016, the owner asked for a substantial compliance call to allow the map to be recorded with the option to pay the affordability fee rather than building the affordable for sale units. This is expected to be the most commonly sought compliance with the Ordinance for projects in the County.

While that option allows the recordation of the final map to move forward in a timely manner, the Developer recently submitted a revised Affordable Housing Strategy to construct for sale affordable units in the project, as was originally planned. The Developer desires to enter into a

development agreement with the County to allow the construction of for sale affordable homes within the subdivision pursuant to 22.35.030. Sacramento Housing and Redevelopment Agency (SHRA) staff have reviewed and approved the new Affordable Housing Strategy (Strategy). SHRA has determined that the required affordability fee for the 255 unit subdivision is \$1,430,933 based on an average square footage of 2,150 square feet per home and an affordability fee of \$2.61 per square foot. Using an average public subsidy per unit of \$56,000 per unit, the number of for sale homes required is 26 homes.

The strategy provides for an Affordable Housing Regulatory Agreement and Deed of Trust. The Regulatory Agreement will be recorded and monitored by SHRA for 30 years. The Strategy also includes the requirement for a monitoring fee of \$128,368 to cover the ongoing administrative expenses related to the monitoring during the 30-year time period. This fee is required to be paid upon the recordation of the Regulatory Agreement. The Agreement is required to be recorded prior to the issuance of any building permits for the project.

The Strategy also describes that the location of the 26 homes are to be geographically disbursed throughout the subdivision in both phases of the project. The Strategy speaks to the design of the units, as well, in that the affordable units must be included in the mix of the overall units in the project. There is also a concurrency requirement in the Strategy that requires that 100 percent of the affordable units to be built prior to the issuance of building permits for more than 75 percent of the market rate units. This Strategy is incorporated into and attached to the Development Agreement which only pertains to affordable housing.

Environmental Impact Review

A memorandum was prepared on April 12, 2016 stating that the previous environmental impact report (EIR) prepared for the Florin-Vineyard GAP project and the approved subdivision is still adequate and appropriate for this development agreement (Attachment 2) in that there are no substantial changes in the project or in the circumstances under which the project is to be undertaken. Furthermore, the project involves no new significant impacts that were not considered in the previous EIR, and therefore no further environmental document is required.

Staff Recommendation

Staff recommends that the Board adopt the two resolutions. The first resolution authorizes the Community Development Director to execute the attached Development Agreement; and the second authorizes the SHRA to approve, execute, and record the attached Regulatory Agreement. The agreements must be finalized and the Regulatory Agreement recorded prior to the issuance of the first building permit.

MEASURES/EVALUATION

This Development Agreement complies with the Ordinance adopted by the Board of Supervisors on February 25, 2014.

FINANCIAL ANALYSIS

County Code Chapter 22.35 relating to the Affordable Housing requires an affordability fee to be paid on residential dwelling units. The Ordinance also provides for a fee credit for the construction of affordable units. This development agreement authorizes a fee credit of

PLNP2016-00092. Agreement By And Between The County Of Sacramento and Taylor Morrison of California, LLC Relative To An Affordable Housing Strategy For A Previously Approved Project (04-RZB-SDP-0233) Known As Caselman Ranch. Environmental Document: Final Environmental Impact Report.
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\$1,430,933 in exchange for the construction of 26 affordable units in the Caselman Ranch project. There is no departmental budget impact.

Respectfully submitted,

APPROVED:
NAVDEEP S. GILL
County Executive

MICHAEL J. PENROSE, Acting Director
Department of Community Development

By:

ROBERT B. LEONARD,
Chief Deputy County Executive

Attachments

- RES 1 – Execute an Agreement with Taylor Morrison Relative To An Affordable Housing Strategy For Caselman Ranch
- EXH A to RES 1 - Affordable Housing Development Agreement
- EXH B to RES 1 – Affordable Housing Strategy Exhibit A
- RES 2 – Delegate Authority To The Sacramento Housing And Redevelopment Agency To Execute The Agreement
- EXH A to RES 2 – Affordable Housing Regulatory Agreement
- ATT 1 - Vicinity Map
- ATT 2 - Environmental Coordinator Memo and MMRP

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF SACRAMENTO AUTHORIZING THE DIRECTOR OF COMMUNITY
DEVELOPMENT TO EXECUTE AN AGREEMENT BY AND BETWEEN THE
COUNTY OF SACRAMENTO AND TAYLOR MORRISON OF CALIFORNIA, LLC
RELATIVE TO AN AFFORDABLE HOUSING STRATEGY FOR THE PREVIOUSLY
APPROVED PROJECT (04-RZB-SDP-0233) KNOWN AS CASELMAN RANCH**

WHEREAS, County and Taylor Morrison Of California, LLC (hereinafter referred to as “developer”) desire to enter into an agreement modifying the Caselman Ranch affordable housing obligation, consistent with the amended affordable housing ordinance.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors authorizes the Director of Community Development, or his or her designee, to execute an agreement between the County of Sacramento and the developer, in a form substantially consistent with the form attached hereto.

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento this 24th day of May 2016, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,
(PER POLITICAL REFORM ACT (§ 18702.5.))

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk, Board of Supervisors

**AGREEMENT BY AND BETWEEN THE COUNTY OF SACRAMENTO AND
TAYLOR MORRISON OF CALIFORNIA, LLC RELATIVE TO AN AFFORDABLE
HOUSING STRATEGY FOR A PREVIOUSLY APPROVED PROJECT
(04-RZB-SDP-0233) KNOWN AS CASELMAN RANCH.**

THIS AGREEMENT is made and entered into as of this 24th day of May, 2016, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and TAYLOR MORRISON OF CALIFORNIA, LLC, hereinafter referred to as "DEVELOPER."

RECITALS

WHEREAS, the conditions of approval for Caselman Ranch (Control Number 20040233) require that DEVELOPER enter into an agreement to meet the obligations of the Affordable Housing Plan prior to recordation of final maps;

WHEREAS, prior to the recordation of the final map for phase one of Caselman Ranch, DEVELOPER reduced the number of lots from 261 to 255;

WHEREAS, Sacramento County Code section 22.35.030(A)(3) allows a fee credit toward the Affordability Fee for the construction of affordable units;

WHEREAS, the original requirement of affordable units from the adopted Affordable Housing Plan was 39 (reduced to 38 for the revised map), which is more than what would be required using the adopted Ordinance relating to Affordable Housing;

WHEREAS, DEVELOPER desires to reduce the affordable units to 26 to comply with adopted Ordinance; and

WHEREAS, COUNTY and DEVELOPER desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, COUNTY and DEVELOPERS agree as follows:

I. AFFORDABLE HOUSING CREDIT

DEVELOPERS shall receive credit for the construction of 26 affordable units in Caselman Ranch, without payment of the Affordability Fee for the 255 units. All units constructed shall be subject to Affordable Housing Strategy in Exhibit "A".

II. TIMING

This Agreement must be approved by the Board of Supervisors and the Regulatory Agreement must be recorded prior to the issuance of any building permits for Caselman Ranch.

III. **MONITORING FEE**

A monitoring fee shall be paid to the Sacramento Housing and Redevelopment Agency (SHRA) to cover the ongoing administrative expenses related to monitoring of the affordable housing units for the duration of the 30-year regulatory agreement period. The fee shall be paid at the time the Affordable Regulatory Agreement is recorded by SHRA.

III. **NOTICE**

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

TO COUNTY

TO DEVELOPER

DIRECTOR
Department of Community
Development
700 H Street, Sixth Floor
Sacramento, CA 95814

Jay Pawlek, Vice President
Taylor Morrison of California, LLC
81 Blue Ravine Road, Suite 220
Folsom, CA 95630

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

IV. **COMPLIANCE WITH LAWS**

DEVELOPER shall observe and comply with all applicable Federal, State, and County laws, regulations and ordinances.

V. **GOVERNING LAWS AND JURISDICTION**

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

VI. **AMENDMENT AND WAIVER**

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. Any request of County for interpretation of any term

or provision of this Agreement shall be made to the DIRECTOR and counsel for County.

VII. SUCCESSORS

This Agreement shall bind the successors of COUNTY and DEVELOPER in the same manner as if they were expressly named.

VIII. INTERPRETATION

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

IX. DIRECTOR

As used in this Agreement, "DIRECTOR" shall mean the Director of the Department of Community Development, or his/her designee.

X. DUPLICATE COUNTERPARTS

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

XI. AUTHORITY TO EXECUTE

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

COUNTY OF SACRAMENTO, a political subdivision of the State of California

By _____ Date: _____
MICHAEL J. PENROSE, Interim Director
Department of Community Development

Agreement Approved by the Board of Supervisors with Delegation of Authority to execute agreement:

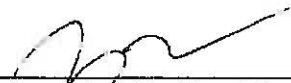
Agenda Date: May 24, 2016

Item Number: ____

Resolution Number: _____

Taylor Morrison of California, LLC

By



Jay Pawlek, Vice President

Date:

4-13-2016

CONTRACT REVIEWED AND APPROVED BY COUNTY COUNSEL

By:

Date:

**Affordable Housing Strategy (AHS)
Construction of Single Family Affordable Housing Component
Caselman Ranch Residential Project**

Proposed Project

Taylor Morrison of California, LLC, is the developer ("Developer") of that certain real property in the County of Sacramento ("County") in which the Developer proposes to develop and construct the Caselman Ranch ("Development Project"). This proposed approximately 50+/- gross acre Development Project is located at northwest corner of Caselman and Elk Grove-Florin Roads in Sacramento, California. The residential portion of the Development Project consists of the following unit mix:

MAP DESIGNATION	GROSS ACRES ¹	UNITS WITHIN ZONING DESIGNATION
Final Map Phase 1:	30+/-	137
RD-7		117
RD-5		20
Final Map Phase 2:	20+/-	118
RD-7		0
RD-5		118
TOTAL UNITS IN RESIDENTIAL DEVELOPMENT	50+/-	255

¹ Note that Gross acres excludes public parks, public schools, open space areas, habitat mitigation or other similar public non-residential features as defined in Section 22.35.020.

Affordable Housing Policy

On February 25, 2014, the Sacramento County Board of Supervisors (Board) repealed Chapter 22.35 of Title 22 of the Sacramento County Code known as the County's Affordable Housing Ordinance ("Repealed Ordinance") and adopted a revised Ordinance ("Ordinance"). The Ordinance requires new residential developments contain housing opportunities to households of low, very low and extremely low-income through a standard affordable housing fee accessible to all and also provides a variety of other options an applicant/developer may choose to satisfy a development project's affordable housing obligations.

In order to ensure compliance with the Ordinance, the Executive Director of Sacramento Housing and Redevelopment Agency ("SHRA") in consultation with the County Director of Community Development prepared the Affordable Housing Program Guidelines ("Guidelines"). The Guidelines were approved by the Board on June 9, 2015 to aid applicants, landowners, developers, homebuyers, and others in understanding and complying with the Ordinance. Section 22.35.030 of the Ordinance allows the Developer to meet their affordable housing obligation by entering into a development agreement or other form of agreement with the County, which provides for a fee credit for land dedication, construction of affordable housing units, or other mechanism which leads to

the production of affordable housing in an amount at least equivalent to the affordability fee established by Section 22.35.050(A) of the Ordinance.

Pursuant to Section 22.35.030 (A)(3) of the Guidelines, development projects that opt to enter into a development agreement must submit an Affordable Housing Strategy ("Strategy") as part of the Development Agreement ("DA").

Section 22.35.030(A)(3) of the Guidelines sets forth the required information to be included in this Strategy. All future approvals for the Development Project shall be consistent with this Strategy.

Affordable Housing Component

Pursuant to Section 22.35.030 (A)(3) of the Ordinance, the Development Project is proposing to meet its affordable housing obligation by utilizing a fee credit for the construction of affordable single-family housing units at least equivalent to the affordable fee established by Section 22.35.050(A) of the Ordinance. Per Section 22.35.030(A)(3)(b) of the Guidelines, the calculation of the fee equivalency for construction of affordable housing units is shown below:

Step 1: Calculating the Affordability Fee Payment

Total Project Units	Average Square Feet	Fee per Square Foot	Affordability Fee
255 (a)	2,150 ¹ (b)	\$2.61 ² (c)	\$1,430,933 (a x b x c)
Notes:			
¹ Average square feet used to calculate the affordable fee amount per the Guidelines.			
² Fee as of March 1, 2016 is \$2.61. Fee is to be adjusted annually.			

Step 2: Calculating the Number of Affordable Housing Units

Affordability Fee	Appreciation Differential/ Unit	No. of Affordable Housing Units
\$1,430,933 (a)	\$56,000 ¹ (b)	26 (a/b)
Notes:		
¹ Appreciation Differential/Unit is updated annually on April 15 th .		

The Development Project will meet its affordable housing obligation by constructing 26 affordable housing units on-site as for-sale units. All affordable housing units shall be subject to recorded legal documents, including an Affordable Housing Regulatory Agreement and Deed of Trust, with the SHRA detailing the affordable housing regulatory requirements. The Regulatory Agreement shall govern the initial sales price, marketing of the affordable units, homebuyer selection, occupancy and re-sale price for at least 30 years in accordance with Appendix 1 of the Guidelines.

Location

The affordable housing units will be located on appointed lots geographically disbursed throughout the development/project site as shown in Exhibit 1.

Design

Pursuant to Section 22.35.070 of the Ordinance, the design of the affordable housing units shall be compatible with the design of the total project in terms of appearance, materials, and finished quality. Affordable units should not be a separate product apart from the overall development project, but should be included within the overall project. Exhibit 2 contains the mix of unit types and sizes in the overall Development Project, and identifies the affordable units within the overall mix.

Occupancy and Affordability Requirements

The site-specific Regulatory Agreement shall be recorded and monitored by SHRA on all affordable housing units constructed as a result of the Ordinance. For sale units will be restricted for 30 years and sold to owner occupant households earning 80% or less of Area Median Income (AMI). Homes will be sold at an affordable housing price as outlined in Appendix 1 of the Guidelines.

Median Income and AMI levels will be determined annually by the United States Department of Housing and Urban Development and will be adjusted by household size appropriate to the unit. Affordable Sales Prices will be based on the assumption that one person occupies each bedroom.

Concurrency

Pursuant to Section 22.35.030(A)(3)(b)(4) of the Guidelines, the affordable housing units are to be built concurrently with the market rate units in the Development Project. Exhibit 3 is a proposed timeline for development, including many of the milestones associated with the concurrency. This concurrency will be secured by a series of linkages between the market rate units and the affordable units as described below:

- The Affordable Housing Regulatory Agreement shall be executed and recorded on the entire Development Project prior to the issuance of any building permits for the Development Project.¹ The Agreement will be released when construction of the obligated affordable housing units are completed.
- The affordable units will be built proportionally alongside their neighboring market rate units. A description of this concurrency is provided as Exhibit 3.

¹ Per Section 22.35.030(A)(3)(b)(4) of the County Affordable Housing Guidelines, the final map for a development project is conditioned upon the recordation of a regulatory agreement. However, due to the timing of final map approval for Caselman Ranch, the recordation of the Regulatory Agreement is contingent upon the issuance of building permits..

Deviation from this requirement is only allowed due to the phasing of infrastructure improvements or other development conditions impacting phasing, but in no event shall building permits be issued for more than 75 percent of the market rate units prior to the issuance of building permits for one hundred (100) percent of the affordable units.

- Marketing of the affordable units within the Development Project shall occur concurrently with the marketing of market rate units.

Monitoring Fee

SHRA will charge a monitoring fee in the amount of \$128,368 to cover ongoing administrative expenses related to monitoring of the affordable housing units (annual occupancy review, income eligibility review, sale, resale, subordination, etc.) for the duration of the 30-year regulatory period. The monitoring fee will be paid at the time the Affordable Regulatory Agreement is recorded.

Developer Acknowledgement

Once the Strategy has been approved by the Board and executed by the SHRA and Developer, no further changes can be made to the Strategy or the Regulatory Agreement. The Regulatory Agreement is a legally binding agreement between the Developer and SHRA that is recorded against the entire Development Project to ensure the affordable obligation is satisfied.


Jay Pawlek

Signature

Vice President

4-13-2016

Date

Exhibit 1
Affordable Housing Lot Location

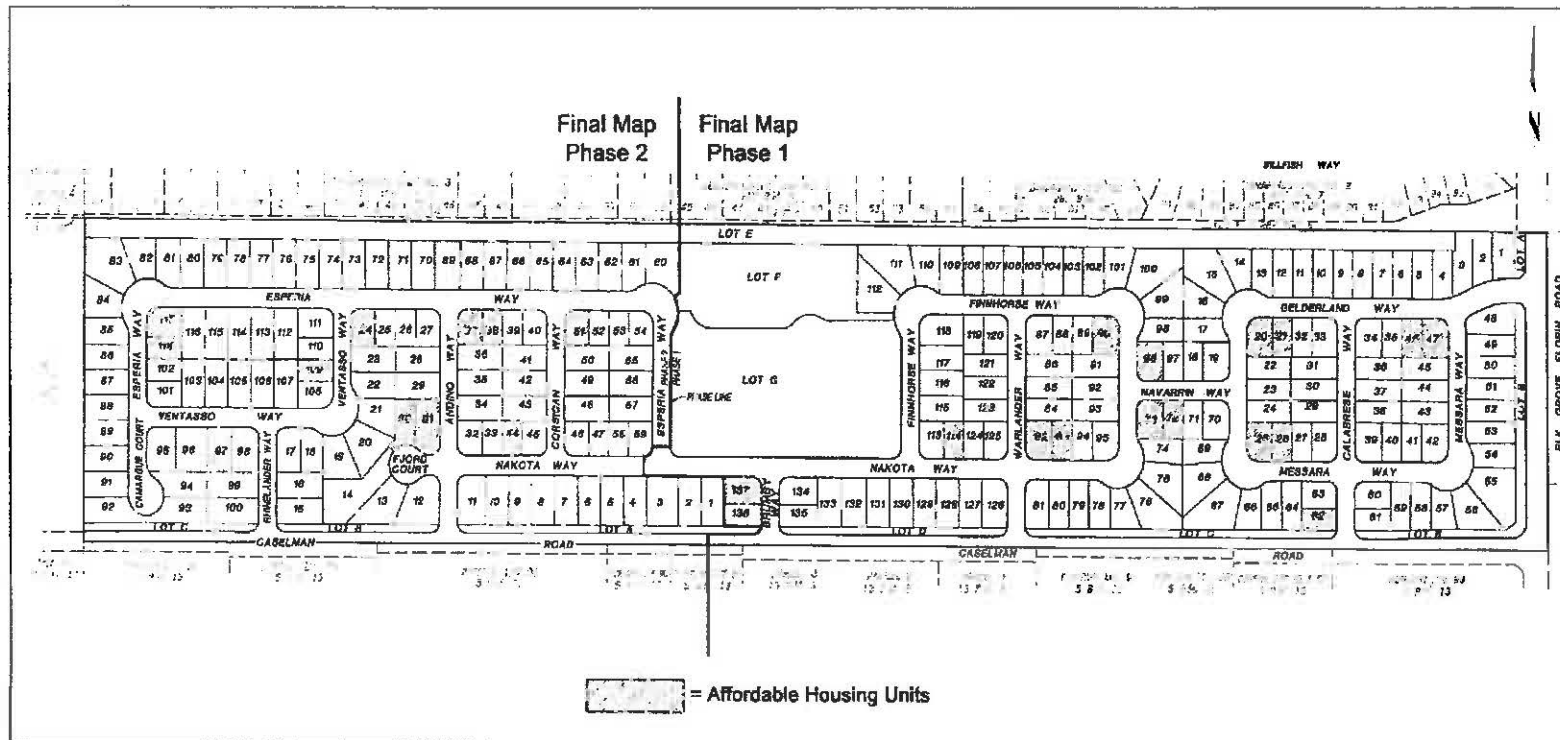


Exhibit 2
Unit Mix and Affordable Housing Distribution

Lot #or Unit #	# Bedrooms	Unit Size (sf. Ft.)	Unit Type	Affordability Level
Final Map Phase 1				
20	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
21	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
25	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
26	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
46	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
47	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
62	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
72	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
73	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
82	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
83	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
90	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
96	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
114	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
137	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
Final Map Phase 2				
24	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
30	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
31	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
37	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
38	3 or 4	1,500 to 1,725	SFD	80% AMI or Less

Exhibit 2
Unit Mix and Affordable Housing Distribution

Lot #or Unit #	# Bedrooms	Unit Size (sf. Ft.)	Unit Type	Affordability Level
Final Map Phase 2 (continued)				
44	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
51	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
97	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
109	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
117	3 or 4	1,500 to 1,725	SFD	80% AMI or Less
118	3 or 4	1,500 to 1,725	SFD	80% AMI or Less

Exhibit 3
Project Timeline & Concurrency Schedule

Construction Release	Permit Date	Market Rate Units	Affordable Housing Units	Total Units
Model Release	January 16	4	0	4
Release 1	June 16	10	0	10
Release 2	September 16	10	0	10
Release 3	December 16	10	0	10
Release 4	March 17	12	5	17
Release 5	June 17	12	3	15
Release 6	September 17	13	2	15
Release 7	December 17	13	2	15
Release 8	March 18	13	2	15
Release 9	June 18	13	2	15
Release 10	September 18	14	2	16
Release 11	December 18	12	2	14
Release 12	March 19	14	2	16
Release 13	June 19	14	3	17
Release 14	September 19	14	1	15
Release 15	December 19	12	0	12
Release 16	March 20	14	0	14
Release 17	June 20	9	0	9
Release 18	September 20	8	0	8
Release 19	December 20	8	0	8
TOTALS		229	26	255
255 Total Units Constructed; 26 Units are Affordable				

RESOLUTION NO. _____

ON DATE OF

**AUTHORITY TO THE SACRAMENTO HOUSING AND REDEVELOPMENT
AGENCY FOR APPROVAL OF THE AFFORDABLE HOUSING REGULATORY
AGREEMENT WITH TAYLOR MORRISON OF CALIFORNIA LLC FOR THE
CASELMAN RANCH RESIDENTIAL PROJECT**

WHEREAS, On February 25, 2014, the Sacramento County Board of Supervisors (Board) repealed Chapter 22.35 of the County Code known as the County's Affordable Housing Ordinance (Repealed Ordinance) and adopted a revised Ordinance (Ordinance). The revised Ordinance creates a standard affordable housing fee accessible to all and also provides a variety of other options that an applicant/developer may choose to satisfy a development project's affordable housing obligations; and

WHEREAS, the Caselman Ranch, a residential project (Project), is a single-family residential development which is subject to the requirements of the Ordinance; and

WHEREAS, the Affordable Housing Strategy (Strategy) for the project that has been submitted by Taylor Morrison of California, LLC, a California limited liability company (Developer) proposes for the Developer to meet their affordable housing obligation by utilizing a fee credit option which leads to the production of affordable housing in an amount at least equivalent to the affordability fee established by Section 22.35.050(A) of the Ordinance. The Developer will construct 255 single-family for-sale units of which 26 will be affordable to first-time low-income households. The Strategy has been reviewed by the Sacramento Housing and Redevelopment Agency and approved by the Board of Supervisors as being in compliance with the Ordinance; and

WHEREAS, the Affordable Housing Regulatory Agreement with the Developer will ensure the Project's compliance with the Strategy required pursuant to the Ordinance; and

WHEREAS, the County of Sacramento desires that SHRA enter into the Regulatory Agreement with the Developer for the Project to allow for SHRA's monitoring of the Developer's compliance with the Strategy.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO

Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in the staff report, are approved.

Section 2. The Sacramento Housing and Redevelopment Agency is authorized to enter into an Affordable Housing Regulatory Agreement with Taylor Morrison of California,

Authority To The Sacramento Housing And Redevelopment Agency For Approval Of The
Affordable Housing Regulatory Agreement With Taylor Morrison Of California Llc For The
Caselman Ranch Residential Project
Page 2

LLC., the developer of the Caselman Ranch residential project (Project) in accordance with the approved Affordable Housing Strategy for the Project and the County of Sacramento's Affordable Housing Ordinance.

Section 3. The Sacramento Housing and Redevelopment Agency is authorized to enter into a Regulatory Agreement for Homeownership Property with qualified low income purchasers of the affordable units at the Project to ensure compliance with the provisions of the Ordinance, including, without limitation, that prior notice of resale is provided to SHRA to allow for referral of qualified low income households.

Section 4. The Sacramento Housing and Redevelopment Agency is authorized to accept a regulatory agreement monitoring fee in the amount of \$128,368 to cover SHRA's ongoing administrative expenses related to monitoring of the affordable housing units (per Section 22.35.030(A)(3)(b)).

Section 5. The Sacramento Housing and Redevelopment Agency is authorized to amend its budget accordingly to carry out the actions specified above.

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 24th day of May 2016, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,
(PER POLITICAL REFORM ACT (§ 18702.5.))

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk, Board of Supervisors

FEE DOCUMENT:

Entitled to free recording
per Government Code §§ 6103 and 27383.
When recorded, return to:
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
801 12th Street
Sacramento, CA 95814
ATTN: Development Services

**AFFORDABLE HOUSING REGULATORY AGREEMENT
RESIDENTIAL (MASTER) PROJECT
(COUNTY OF SACRAMENTO AFFORDABLE HOUSING ORDINANCE)**

RESIDENTIAL PROJECT NAME	Caselman Ranch Residential Project
--------------------------	------------------------------------

NOTICE: THIS REGULATORY AGREEMENT IMPOSES COVENANTS, CONDITIONS AND RESTRICTIONS ON THE PROPERTY WHICH STAY WITH THE PROPERTY FOR MANY YEARS, INCLUDING RESTRICTIONS ON THE RESALE PRICE AND THE USE AND MAINTENANCE OF THE PROPERTY.

In consideration of their mutual obligations and promises, the Sacramento Housing and Redevelopment Agency ("Agency"), a joint powers authority, and Developer, named below, have entered into this Affordable Housing Regulatory Agreement ("Regulatory Agreement") as of the Effective Date.

RECITALS.

- A. Developer is the owner of certain real property in the County of Sacramento that is the subject of this Affordable Housing Agreement and which is the location of the Residential Project.
- B. The Residential Project is subject to the requirements of the Ordinance. Pursuant to the Ordinance, the Developer has submitted, and the County of Sacramento has approved, the Development Agreement. That agreement includes the "Affordable Housing Strategy—Construction of Single Family Affordable Housing Component-Caselman Ranch Residential Project" or "AHS".
- C. Developer is making this Affordable Housing Agreement to fulfill its conditions for development of the Residential Project and in order to obtain rights to develop the Residential Project. To meet the requirements of the Ordinance and the AHS, this Affordable Housing Agreement must be signed prior to issuance of any building permit for the Residential Project.
- D. The Agency is charged with the responsibility for improving, increasing and maintaining the stock of affordable housing in the County of Sacramento. Pursuant to the Ordinance and the AHS, the Developer is required to enter into this Regulatory Agreement as a condition of the County's approval of development of the Residential Project to assure the development of the Affordable Housing Units. Agency is entering into this Regulatory Agreement in reliance upon Developer's promises to meet the requirements of the Ordinance and AHS, by which the stock of affordable housing in the community will be increased.

AGREEMENT

1. **GENERAL.** This Regulatory Agreement includes the Recitals, this Agreement, and the Exhibits referenced below, which are attached and incorporated into this Regulatory Agreement by this reference.

2. **DEFINITIONS.** The capitalized terms in this Regulatory Agreement shall have the meanings assigned in the following table and as defined in the body of the Regulatory Agreement. Terms being defined are indicated by quotation marks. Furthermore, defined terms that are the same as defined terms in the Affordable Housing Ordinance, County of Sacramento Code Chapter 22.35 ("Ordinance") and shall be interpreted in accordance with the meanings as ascribed to them in the Ordinance.

AGREEMENT TERMS	DEFINITIONS		
"Effective Date"	This Regulatory Agreement shall be effective as of the following date:		
"Developer"	Name	Taylor Morrison of California LLC	
	Legal Form	a California limited liability company	
	Address	81 Blue Ravine Road, Suite 220, Folsom CA 95630	
"Residential Project"	The housing project that Developer wishes to develop and that is subject to the Ordinance as defined below. The Residential Project includes the Affordable Housing Project. The Residential Project is located on the following Residential Project Property and consists of the following Residential Project Description.		
	"Residential Project Property" or "Property"	Parcel Size	50+/- acres
		Location	NW corner of Caselman and Elk Grove-Florin Roads in the County of Sacramento, California
		Assessor's Parcel Number	115,-0091-002, 115-0091-003, 115-0091-004, 115-0091-005, 115-0091-006, and 115-0091-007.
		More particularly described in Exhibit 1A - Residential Project Legal Description.	
"Residential Project Description"	The on-site construction of 255 single-family homes.		
"Affordable Housing Requirement"	The AHS and Ordinance require the following number of affordable housing units to be built as a condition of the approval for development of the Residential Project, as set out in the AHS, and restrict the sale price of those units to the following affordability levels as defined in the Ordinance.		
	"Affordability Level"	Total Number	Description of Affordable Housing Units
	"Low Income Units"	-26-	3 and/or 4 bedroom units ranging from 1,500 to 1,725 square feet and will be made available to qualified buyers who earn 80% or less of the Area's Median Income (AMI) as determined by United States Department of Housing and Urban Development.
	"Very Low Income Units"	n/a	
	"Extremely Low Income Units"	n/a	
	Total of All Affordable Housing Units	-26-	
"Affordable Housing Units"	Affordable Housing Units are the respective units that are located in the Affordable Housing Project and that are specifically to be regulated to meet the Affordable Housing Requirement, located within the Residential Project. Affordable Housing Units are subject to a Regulatory Agreement for Homeownership Property.		
"AHS"	The Affordable Housing Strategy (AHS) specifies the number, unit mix, location, structure type, affordability, and phasing of development of the Affordable Housing Units, and is consistent with all required County Planning Director findings. The AHS is attached as Exhibit 2 - Affordable Housing Strategy.		

	Dated:		
"Affordable Housing Project"	The Affordable Housing Project is the housing project that will include the Affordable Housing Units to be developed as required by the Ordinance and AHS as a condition of approval of the Residential Project. The Affordable Housing Project shall be developed on the following Affordable Housing Property and contain the type of housing as set out in the following Affordable Housing Project Description.		
	"Affordable Housing Property"	Lot Numbers	Phase 1: 20, 21, 25, 26, 46, 47, 62, 72, 73, 82, 83, 90, 96, 114, and 137 Phase 2: 24, 30, 31, 37, 38, 44, 51, 97, 109, 117, and 118
		Location	The affordable housing units will be disbursed throughout the development/project site.
		More particularly described in the "Affordable Housing Project Legal Description" included in <u>Exhibit 1B - Affordable Housing Project Legal Description</u> .	
	"Affordable Housing Project Description"	26 units located on site and part of the 255 single family homes that are the Residential Project.	
"Affordable Housing Developer"	Name	Pacific Housing, Inc.	
	Legal Form	a California non-profit organization	
	Address	2115 J Street, Suite 201, Sacramento CA 95816	
"Term"	The Term is the minimum term of this Agreement unless terminated earlier by the Agency		Thirty (30) Years (Sale)
"Exhibits"	Exhibit Number	Exhibit Title	
	1	"Residential Project Legal Description"	
	2	"Affordable Housing Project Legal Description"	
	3	"Affordable Housing Strategy"	
	4	"Regulatory Agreement for Homeownership Property"	

3. **DEVELOPMENT OF AFFORDABLE UNITS.** Pursuant to the Ordinance and the AHS, the Affordable Housing Project shall be built prior to or concurrently with the market rate units in the Residential Project as stated in the AHS and this Agreement. Developer shall construct, or cause to be constructed under contract with the Affordable Housing Developer, the Affordable Housing Units in compliance with the terms of this Agreement, the AHS, and the Ordinance.

(a) If all or a portion of the Affordable Housing Units are to be developed by an Affordable Housing Developer other than Developer then Developer shall insure that the contract includes the obligation of the Affordable Housing Developer to submit to the Agency and obtain Agency's approval of the design and financial feasibility of the Affordable Housing Project and, thereafter, to develop, construct, and either sell or own and manage the Affordable Housing Project in accordance with such approval.

(b) The Developer's contract with the Affordable Housing Developer shall be valid and enforceable, and Developer shall enforce, to the extent of its authority under such contract, the Affordable Housing Developer's obligations under such contract to construct and to sell or retain ownership of the Affordable Housing Units as approved by the Agency.

4. **COVENANTS.** The Affordable Housing Regulatory Agreement shall be executed and recorded on the entire Development Project concurrently with the recordation of the Development Project's final map or final legislative approval, whichever is first. The Agreement will be released when construction of the obligated affordable housing units are completed in accordance with the AHS and this Regulatory Agreement including, without limitation, the recording of each applicable Regulatory Agreement for Affordable Housing Property on the Affordable Housing Units to ensure that the Affordable Housing Units are subject to the affordability requirements as stated in this Regulatory Agreement.

5. **CONCURRENCY OF CONSTRUCTION OF MARKET RATE AND AFFORDABLE UNITS.** The affordable units will be built proportionally alongside their neighboring market rate units. A description of this concurrency is

provided as Exhibit 4 to the AHS. The AHS may deviate from this requirement only due to the phasing of infrastructure improvements or other development conditions impacting phasing, but in no event shall building permits be issued for more than 75 percent of the market rate units prior to the issuance of building permits for one hundred (100) percent of the affordable units.

6. **ORDER OF PRECEDENCE.** In the event of any conflict or inconsistency between the terms of this Regulatory Agreement and the referenced documents, the following order of precedence shall prevail: the Ordinance, the AHS and this Regulatory Agreement.

7. **REPRESENTATIONS.** Developer intends to develop the Residential Project that is subject to the requirement to prepare and implement an AHS and to enter into this Regulatory Agreement with the Agency to set out the manner in which the AHS will be implemented. This Regulatory Agreement is a substantial part of the consideration to Agency to undertake the obligation to administer Developer's compliance with the AHS. Further, this Regulatory Agreement includes certain requirements that are in accordance with the laws, rules and regulations to which Agency is subject. Therefore, Agency has entered into this Regulatory Agreement conditioned upon Developer's agreement, for itself and its successors and assigns, to comply with all provisions of this Regulatory Agreement. Developer has had full opportunity to make itself independently familiar with the obligations, limitations and restrictions of the Ordinance and the AHS applicable to Developer's Residential Project, and Developer accepts them and agrees to comply fully with them.

8. **COVENANTS.** Developer makes the following covenants. Unless Developer has received the prior written consent or Agency approval otherwise, Developer shall fully comply with each and every covenant. Except as otherwise stated in this Regulatory Agreement, the following covenants shall be in full force and effect until Developer has fully complied with each covenant.

(a) Developer shall develop or permit others to develop the Residential Project Property only in compliance with the Affordable Housing AHS.

(b) Developer shall not transfer or encumber any of the Residential Project Property or permit the conveyance, transfer, or encumbrance of the Property unless such assignee, transferee or encumbrancee has agreed, in writing and in a form suitable for recordation, to be bound by the terms of this Regulatory Agreement.

(c) During Developer's ownership of the Affordable Housing Units, Developer shall maintain the Units in good repair and condition and in compliance with all applicable housing quality standards and local code requirements. Developer shall maintain the Units in good condition and shall keep the Units reasonably free from graffiti and unrepaired vandalism and from accumulation of abandoned property, inoperable vehicles, unenclosed storage, debris, and waste materials. In the event of a casualty loss, Developer shall cause the restoration or replacement of the Units, in a timely manner and provided that such restoration or replacement is then economically feasible.

(d) During Developer's ownership of the Affordable Housing Units, Developer shall not cause and shall not permit discrimination on the basis of sex, race, color, religion, ancestry, national origin, disability, medical condition, marital status, or sexual orientation in the sale, lease, or rental or in the use or occupancy of the Units. Developer covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Units.

9. **NATURE OF COVENANTS.** The provisions contained in this Regulatory Agreement are covenants which subject and burden the Residential Project Property, as covenants running with the land. It is intended and agreed that the agreements and covenants provided in this Agreement shall be covenants running with the land and equitable servitudes on the land and that they shall, in any event, and without regard to technical classifications or designation, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the Agency, the Agency's successors and assigns, any other governmental entity acting within its authority and any successor in interest to Agency's interest under this Regulatory Agreement against the Developer, its successors and assigns and every successor in interest to all or any part of the Property.

10. **TERM.** The term of this Regulatory Agreement shall commence on the Effective Date and continue until the terms of all of the covenants set out herein including, without limitation, the terms stated in the Affordable Housing Strategy, have expired or otherwise been terminated.

11. **RECORDKEEPING AND REPORTING.** Upon request of Agency, Developer shall promptly provide any additional information or documentation requested in writing by the Agency to verify Developer's compliance with the provisions of this Regulatory Agreement. At the written request of the Agency, Developer shall, within a reasonable time following receipt of such request, furnish reports and shall give specific answers to questions upon which information is desired from time to time relative to the income, assets, liabilities, contracts, operations, and condition of the Property and Developer's compliance with this Regulatory Agreement.

12. **AUDIT AND INSPECTION.** The Affordable Housing Units and all related equipment, buildings, plans, offices, books, contracts, records, documents and other related papers shall at all times be maintained in reasonable condition for audit and shall be subject to examination by the Agency or its agents. The books and accounts of the operations of the Affordable Housing Units shall be kept in accordance with generally accepted accounting principles. Developer shall provide Agency access to the Affordable Housing Units and the tenants of those Units during reasonable hours for the purpose of reviewing Developer's compliance with this Regulatory Agreement and the Affordable Housing Strategy.

13. **INDEMNITY FOR DEVELOPER'S FAILURE TO MEET LEGAL REQUIREMENTS.** Developer shall indemnify and hold Agency, its officers, directors, and employees harmless from any and all liability arising from Developer's failure to comply with the covenants, conditions and restrictions contained in this Regulatory Agreement. Without limitation, such indemnity shall include repayment to the appropriate parties or the Agency of rents or sales proceeds in excess of amounts authorized to be charged.

14. **CHANGES WITHOUT CONSENT OF TENANTS, LESSEES, OR OTHERS.** Only Agency and its successors and assigns, and Developer and its successors and assigns (subject to the reasonable approval of Developer's lender) shall have the right to consent and agree to changes in, or to eliminate in whole or in part, any of the covenants or restrictions contained in this Agreement without the consent of any easement holder, licensee, mortgagee, trustee, beneficiary under a deed of trust, or any other person or entity having any interest less than a fee in the Residential Project Property.

15. **DEFAULT.** Upon a breach of any of the provisions of this Regulatory Agreement by Developer, the Agency may give written notice of such breach to Developer by registered or certified mail. If such violation is not corrected to the satisfaction of Agency within sixty (60) days after the date such notice is mailed or within such further time as the Agency may reasonably determine is necessary to correct the breach, and without further notice to Developer, the Agency may declare a default under the Agreement. Upon such default the Agency may:

(a) To the extent applicable, in the event of any breach of the covenants, conditions and restrictions contained in this Regulatory Agreement, the Agency shall reasonably endeavor to remedy such breach by conference and conciliation. If, in the opinion of Agency, the Agency and Developer are unable mutually to agree upon a suitable remedy or the circumstances so warrant, such breach may be enjoined or abated by appropriate proceedings brought by the Agency.

(b) Apply to any court for specific performance of this Regulatory Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Affordable Housing Units in accordance with the terms of this Regulatory Agreement, for money damages or for such other relief as may be appropriate, since the injury to the Agency arising from a default under any of the terms in this Regulatory Agreement would be irreparable, and the amount of damage would be difficult to ascertain.

(c) Agency may institute or prosecute in its own name any suit Agency may consider advisable in order to compel performance of any obligation of Developer and any owner of the Residential Project Property and/or the Affordable Housing Property to develop and maintain the Residential Project and the Affordable Housing Units in conformity with this Regulatory Agreement and to remedy any default of this Regulatory Agreement. Agency may also seek a decree requiring removal of any improvements constructed on the Residential Project Property and/or the Affordable Housing Property, which improvements are designed and only suitable for uses not permitted under this Regulatory Agreement.

(d) The remedies of the Agency under this Regulatory Agreement are cumulative. The exercise of one or more of such remedies shall not be deemed an election of remedies and shall not preclude the exercise by the Agency of any one or more of its other remedies.

(e) Unless expressly prohibited by this Agreement, any member, partner or shareholder of Developer may exercise, on behalf of Developer, any cure rights granted by this Agreement to Developer, provided that such party shall have no greater rights or obligations related to such cure than Developer has under this Agreement.

16. **BINDING SUCCESSORS IN INTEREST AND ASSIGNEES.** This Regulatory Agreement shall bind and the benefits shall inure to the Developer, its successors in interest and assigns, and to the Agency and its successors and assigns for the term of this Regulatory Agreement. Agency reserves the right to assign its rights in this Regulatory Agreement to the County of Sacramento or any other entity authorized by the County of Sacramento to enforce the Ordinance.

17. **CONTRADICTORY AGREEMENTS.** Developer warrants that it has not, and will not, execute any other agreement with provisions contradictory or in opposition to, the provisions of this Regulatory Agreement, and that, in any event, the requirements of this Regulatory Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other requirements in conflict with this Regulatory Agreement.

18. **ATTORNEYS' FEES.** If the services of any attorney are required by any party to secure the performance of this Regulatory Agreement or otherwise upon the breach of default of another party, or if any judicial remedy or mediation is necessary to enforce or interpret any provision of this Regulatory Agreement or the rights and duties of any person in relation to this Regulatory Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such party may be entitled. Any award of damages following judicial remedy or arbitration as a result of this Regulatory Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law. The prevailing party shall mean the party receiving an award in arbitration or a judgment in its favor. In any event, if the award is for money damages, a party shall not be deemed a prevailing party if the award or judgment received by them does not exceed the amount of the last unconditional offer of settlement made by the other party prior to commencement of such arbitration or trial. Furthermore, if the award or judgment is for equitable relief, a party shall not be deemed a prevailing party if the award or judgment received by them has been unconditionally offered by the other party as an offer of settlement prior to commencement of such arbitration or trial.

19. **SEVERABILITY.** If any term or provision of this Regulatory Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Regulatory Agreement shall not be affected; provided that the intent of the Regulatory Agreement may then be reasonably fulfilled. In any event, the term or provisions shall be deemed to be invalid only as to the entity and circumstance for which it was held to be invalid.

20. **NO WAIVER.** No waiver by the Agency of any breach of or default under this Regulatory Agreement shall be deemed to be a waiver of any other or subsequent breach or default.

21. **NOTICES.** Written notices and other written communications by and between the parties shall be addressed to the Developer at the Developer Address and to the Agency at the Agency Address or such other address as each respective party has designated by written notice to the other party.

Executed in Sacramento, California.

**DEVELOPER: TAYLOR MORRISON OF CALIFORNIA
LLC**

By: _____,
_____, its managing member

Approved as to form:

Developer Counsel

**AGENCY: SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY**

By: _____
LaShelle Dozier, Executive Director

Approved as to form:

Agency Counsel

NOTARY ACKNOWLEDGEMENT REQUIRED

EXHIBIT 1
RESIDENTIAL PROJECT LEGAL DESCRIPTION

EXHIBIT 2
AFFORDABLE HOUSING PROJECT LEGAL DESCRIPTION

EXHIBIT 3

AFFORDABLE HOUSING STRATEGY (AHS)

EXHIBIT 4

REGULATORY AGREEMENT FOR AFFORDABLE HOUSING PROPERTY

NO FEE DOCUMENT :

Entitled to free recording
per Government Code §§ 6301 and 27383.
When recorded, return to:
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
801 12th Street
Sacramento, CA 95814
Attention: Portfolio Management

**REGULATORY AGREEMENT FOR HOMEOWNERSHIP PROPERTY
WITH RESALE RESTRICTIONS
(THIRTY YEAR TERM)**

COUNTY OF SACRAMENTO AFFORDABLE HOUSING ORDINANCE
CHAPTER 22.35 OF THE COUNTY CODE

INCLUDING COVENANTS, CONDITIONS AND RESTRICTIONS RUNNING WITH THE LAND
AND IMPOSING RESTRICTIONS ON RESALE AND LIEN AGAINST PROPERTY AFTER SALE
FOR AMOUNT OF RECAPTURE DUE

"PROJECT NAME"	Caselman Ranch
"PROPERTY ADDRESS"	
"EFFECTIVE DATE"	
"ASSESSOR'S PARCEL#"	

NOTICE: THIS INDIVIDUAL REGULATORY AGREEMENT IMPOSES COVENANTS, CONDITIONS AND RESTRICTIONS ON THE PROPERTY WHICH STAY WITH THE PROPERTY FOR MANY YEARS.

THIS INDIVIDUAL REGULATORY AGREEMENT LIMITS THE FUTURE SALES PRICE OF THE PROPERTY, REQUIRES THAT AGENCY HAVE PRIOR NOTICE OF A SALE, PROVIDES AGENCY WITH FIRST RIGHT TO PURCHASE THE PROPERTY, AND MONIES BE PAID TO THE AGENCY ON RESALE.

THIS INDIVIDUAL REGULATORY AGREEMENT IMPOSES A LIEN ON THE PROPERTY FOR THE AMOUNT OF ANY RECAPTURE DUE, WHICH LIEN SURVIVES THE SALE OF THE PROPERTY.

LOANS AND ADVANCES OBTAINED BY OWNER WITHOUT PRIOR AGENCY APPROVAL AND AMENDMENT OF THIS AGREEMENT OR THE RENTAL OF THIS PROPERTY MAY REQUIRE SUBSTANTIAL PAYMENT TO THE AGENCY.

FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS ACKNOWLEDGED, AGENCY AND OWNER HAVE ENTERED THIS REGULATORY AGREEMENT AS OF THE EFFECTIVE DATE FIRST WRITTEN ABOVE.

1. **GENERAL.** This Regulatory Agreement includes the Exhibits attached to it, which are incorporated into this Regulatory Agreement by this reference.

2. **DEFINITIONS.** The capitalized terms in this Regulatory Agreement shall have the meanings assigned in the table above and the following Definition Table. (Terms being defined are indicated by quotation marks.)

DEFINITION TABLE			
TERM		DEFINITION	
a	"Affordability Level"	The percentage of area median income at which this Property is to be restricted under the Affordable Housing Plan for the Project, which is	80% or less of the AMI
b	"Affordable Price"	The maximum price at which the Property can be sold by Owner at the time of Resale without payment of Recapture to the Agency, as determined by Agency pursuant to Section 5.	
c	"Agency"	Sacramento Housing and Redevelopment Agency, a joint powers agency	
		"Agency Address":	801 12 th Street, Sacramento, California 95814
d	"Deed of Trust"	The trust between Agency and Owner to secure payment of Recapture, the form of which is attached as Exhibit 4 – Recapture Deed of Trust .	
e	"Net Sales Proceeds"	Difference between Resale Price and the Owner's Purchase Price	
f	"Notice of Sale"	Pursuant to Section 5, below, the notice required to be provided to Agency before Owner may sell or transfer the Property, the form of which is attached as Exhibit 3 – Request for Notice .	
g	"Ordinance"	The Affordable Housing Ordinance, County of Sacramento Code Chapter 22.35, and as it may be amended.	
i	"Owner"	Owner is current Owner of the Property that is executing this Regulatory Agreement for recordation against the Property, and each and every subsequent owner of the Property or any portion thereof, including without limitation, individually and collectively, the first Owner, the current Owner, and each of their respective successors in interest to the Property. The current Owner is as follows:	
		Name:	
		Legal Status:	
		Address:	
i	"Owner's Purchase Price"	The price paid by Owner to purchase the Property based on its Affordability Level as required in the Ordinance, which is:	\$
k	"Project"	The development as approved by the County of Sacramento which was subject to the Ordinance and encompassed the Property.	
l	"Property"	The real property described in Exhibit 1 - Legal Description of the Property , attached hereto, together with all buildings, structures and improvements existing or to be constructed thereon.	
m	"Recapture"	Upon Resale of the Property at a price in excess of the Affordable Price, the homeowner will receive the difference between the new affordable sales price ("adjusted resale price") and original affordable sales price. The excess funds will be remitted to the Agency as Recapture. A Worksheet is provided as an aid to Owner in determining the amount of Recapture as Exhibit 2 – Recapture Worksheet , attached hereto	
n	"Regulatory Agreement"	This Regulatory Agreement between Agency and Owner which has been recorded against the Property.	
o	"Resale"	Sale or transfer of the Property by the Owner to Agency or to a subsequent purchaser.	
p	"Resale Price"	Either the Affordable Price or the actual resale price, as applicable to the transaction.	

3. CAUTION. *This Regulatory Agreement affects and limits Owner's interests in real property. Among others (this list being illustrative), this Regulatory Agreement has the following effects:*

a. It specifically restricts ability of the Owner (including each subsequent purchaser) to resell, refinance, or rent the Property without the Agency's prior approval, restricts the price at which the Property can be resold, and it obligates Owner to pay Agency Recapture at the time of Resale if the Property is not resold at an Affordable Price.

b. Loans and advances obtained after purchase of the Property by Owner in excess of the Owner's Purchase Price are subordinate to the Recapture provisions of this Regulatory Agreement.

c. If Owner refinances the Property for an amount that exceeds the Owner's Purchase Price without Agency approval and amendment of this Regulatory Agreement, Owner may owe a substantial amount of money to Agency as Recapture.

d. If Owner rents the Property, that change in use will be deemed an unauthorized sale and Owner may owe a substantial amount of money to Agency as Recapture..

e. If Owner transfers any interest in the Property without the Agency's prior approval, that action will be deemed an improper sale and Owner and the buyer may owe a substantial amount of money to Agency as Recapture..

f. Owner may not be able recover any or all of Owner's investment in improvements to the Property.

4. **PURPOSE.** In order to increase and improve the stock of affordable housing in the community, the County of Sacramento enacted the Ordinance. The purpose and intent of this Agreement is to ensure compliance with the Ordinance and the restrictions imposed on the Property as required by the Ordinance in consideration of the reduced purchase price paid by Owner for the Property.

5. **RESALE, TRANSFER AND HYPOTHECATION RESTRICTED.** During the term of this Regulatory Agreement, any resale or transfer of the Property shall be subject to the restrictions stated in this Regulatory Agreement.

a. **120 DAY PRIOR NOTICE TO AGENCY.** Before taking actions to market, sell or transfer the Property, Owner shall provide Agency with not less than one hundred and twenty (120) days prior written notice of Owner's intent to sell or transfer the Property. During such notice period, in accordance with the Ordinance: (i) Agency may refer to Owner a qualified buyer who has the capacity to purchase the Property at the Affordable Price, or (ii) Agency may elect to purchase the Property at the Affordable Price. The Owner is obligated to sell the Property either to such qualified buyer or to Agency at the Affordable Price. If Agency does not refer a buyer or does not elect to purchase the Property during the notice period, only then may Owner sell the Property to any buyer on the open market.

b. **DETERMINATION OF AFFORDABLE PRICE.** The Affordable Price shall be determined by the Agency in its sole discretion based on the sales price that the income of a household, per the specified Affordability Level, can qualify for based on the percentage of total income that may be paid for housing expenses as specified under the Affordable Housing Program Guidelines

c. **AGENCY REFERRAL OF BUYER.** If the Agency refers a qualified buyer as provided in Section 5.a, above, Owner shall sell the Property to the buyer at the Affordable Price. If for any reason beyond the control of Owner, said buyer is unable to consummate the purchase of the Property, Owner shall immediately notify Agency of such inability and Agency shall have the remainder of the said one hundred twenty (120) day period in which to refer a replacement buyer or elect to purchase the Property at the Affordable Price.

d. **AGENCY ELECTION TO PURCHASE.** If the Agency elects to purchase the Property during the one hundred twenty (120) day prior notice period, the Agency shall have thirty (30) days after it notifies the Owner in writing of its intent to purchase the Property to tender the funds to complete the sales transaction for the Property at the Affordable Price under the terms of the Ordinance.

e. **SALE WITHOUT NOTICE.** If Owner fails to provide prior notice to Agency in accordance with Section 5.a. above and sells the Property, Agency shall nonetheless have the right to recover Recapture, as determined in Section 6, below.

f. **CHANGE OF USE AS UNQUALIFIED SALE.** Any change of use of the Property from a single-family owner-occupied dwelling unit including, without limitation, rental of the Property; shall be deemed a Resale and Agency shall have the right to recover Recapture, as determined in Section 6, below.

g. **RESTRICTION ON TRANSFER OR HYPOTHECATION.** If Owner transfers or otherwise hypothecates any interest in the Property, such action shall be deemed a Resale and Agency shall have the right to recover Recapture, as determined in Section 6 below. Notwithstanding the foregoing, Owner may add a spouse or certified domestic partner on title to the Property and they may obtain sole title to the Property upon death of the Owner by devise or as

a living trust beneficiary. Any other person who obtains title to the Property by inheritance will owe Agency Recapture unless such successor is determined by Agency to be a qualified buyer under the Affordability Level income restrictions.

6. RECAPTURE. The amount of Recapture that Owner must pay to Agency at the time of Resale of the Property if it is not sold at the Affordable Price pursuant to Section 5 c or d, above, is the difference between the new affordable sales price ("adjusted resale price") and the Actual Resale Price.

7. LIEN FOR UNPAID RECAPTURE ; OBLIGATION OF BUYER AND SELLER CONTINUING AFTER SALE. Owner, for itself and its successors in interest, expressly agrees that if Agency is due payment for Recapture and is not paid the full amount of the Recapture at the time of the Resale, the amount of Recapture is a lien against the Property in the amount of the unpaid Recapture, together with interest thereon at the maximum legal rate. The unpaid Recapture is a joint and several obligation of both the selling Owner and the buyer Owner. The Deed of Trust between Agency and Owner is to secure payment of Recapture, and trust form is attached as **Exhibit 4 – Recapture Deed of Trust**. To collect such unpaid Recapture and interest thereon, Agency may elect to take one or both of the following actions:

a. SEEK RECOVERY FROM SELLING OWNER. Agency may elect to pursue any remedy at law or in equity to recover the amount of the Recapture from the selling Owner, whose sale of the Property gave rise to the obligation for Recapture.

b. SEEK RECOVERY FROM BUYER OWNER AS A LIEN AGAINST THE PROPERTY. Agency may make demand for and shall receive payment from the sale proceeds of any sale of the Property, until such time as the unpaid Recapture and all interest thereon is paid in full by foreclosing its Deed of Trust. Agency's call on such sale proceeds is in advance of all unsecured creditors and the claims of all lien holders that are junior in priority to this Regulatory Agreement and Deed of Trust.

9. LIMITATION ON FINANCING AND REFINANCING; SUBORDINATION AND PRIORITY. In order to assure that the integrity of the affordability provisions is maintained, the Agency must assure that this Regulatory Agreement and the Deed of Trust has priority over all liens on the Property, other than purchase money liens securing the initial purchase of the Property by Owner and approved by Agency. Any other loans or advances on loans secured by the Property shall be deemed subordinate in all respects to the Regulatory Agreement and the Deed of Trust unless the Agency subordinates its interest in writing to such loans or advances. Owner must obtain Agency's prior approval to refinance any existing liens or to obtain any new loans to be secured against the Property to insure that Owner's debt does not exceed Owner's Purchase Price.

10. TERMINATION OF REGULATORY AGREEMENT. If Owner complies with its obligations under this Agreement, Agency shall terminate this Regulatory Agreement and reconvey the Deed of Trust upon expiration of the term or after full payment of the Recapture as determined in Section 6, above, together with any interest due thereon, and upon request shall duly record an instrument evidencing the termination. Owner is not entitled to unilaterally terminate this Regulatory Agreement by payment to Agency of Recapture.

11. TERMINATION IN EVENT OF FORECLOSURE OR INVOLUNTARY SALE. This Regulatory Agreement and all and several of the terms hereof, shall terminate and be of no further force and effect in the event of: (a) a foreclosure by the senior lender of the lien of a deed of trust on the Property or delivery of a deed in lieu of foreclosure pursuant to which the senior lender, trustee or a purchaser or transferee shall take possession of the Property, or (b) foreclosure or delivery of a deed in lieu of foreclosure whereby a third party (other than the Owner or any related person of the Owner) shall take possession of the Property, or (c) involuntary non-compliance with the provisions of this Regulatory Agreement caused by fire, condemnation, involuntary seizure of the Property by a local, state or federal agency, requisition, or a similar event; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure, the delivery of a deed in lieu of foreclosure or a similar event, the Owner or any related person to it (within the meaning of Section 1.103-10(e) of the Internal Revenue Service Regulations) obtains an ownership interest in the Property for Federal income tax purposes. The term "senior lender" shall mean a lender with a lien of a deed of trust on the Property that is senior to the Agency's Regulatory Agreement deed of

trust by the order of recording or by the terms of a subordination agreement, or the maker of any purchase money loan the lien of which is recorded contemporaneously with this Regulatory Agreement. Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms.

12. COVENANTS. Owner makes the following covenants. Unless Owner has received the prior written consent of Agency otherwise, Owner shall fully comply with each and every covenant. Except as otherwise stated in this Regulatory Agreement, the following covenants shall have a term of thirty (30) years.

- a. Owner shall use and permit others to use the Property only as an owner-occupied dwelling unit.
- b. Owner shall assure full compliance with the Ordinance during its ownership and occupancy of the Property.
- c. Owner shall not transfer or encumber the Property or permit the conveyance, transfer, or encumbrance of the Property except as provided in this Regulatory Agreement and unless such assignee, transferee or encumbrancer has agreed, in writing and in a form suitable for recordation, to be bound by the terms of this Regulatory Agreement.
- d. Owner shall maintain the Property and the building improvements, grounds and equipment of the Property in good repair and condition and in compliance with all applicable housing quality standards and local code requirements. Owner shall keep the Property reasonably free from graffiti and unrepaired vandalism and from accumulation of abandoned property, inoperable vehicles, unenclosed storage, debris, and waste materials. In the event of a casualty loss, Owner shall cause the restoration or replacement of the Property, in a timely manner and provided that such restoration or replacement is then economically feasible.
- e. Owner shall not cause and shall not permit discrimination on the basis of sex, race, color, religion, ancestry, national origin, disability, medical condition, marital status, or sexual orientation in the sale, lease, or rental of the Property. Owner covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. This covenant against discrimination shall continue in perpetuity.

13. NATURE OF COVENANTS. The provisions contained in this Regulatory Agreement are covenants which subject and burden the Property, as covenants running with the land. It is intended and agreed that the agreements and covenants provided in the Agreement shall be covenants running with the land and equitable servitudes on the land and that they shall, in any event, and without regard to technical classifications or designation, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the Agency, the Agency's successors and assigns, any other governmental entity acting within its authority and any successor in interest to Agency's interest under this Regulatory Agreement against the Owner, its successors and assigns and every successor in interest to all or any part of the Property.

14. TERM. The term of this Regulatory Agreement shall commence on the Effective Date first written above and continue for a period of thirty (30) years thereafter, unless sooner terminated pursuant to Sections 10 or 11, above.

15. RECORDKEEPING AND REPORTING. Upon written request of Agency, Owner shall promptly provide any additional information or documentation to verify Owner's compliance with the provisions of this Regulatory Agreement. At the written request of the Agency, Owner shall, within a reasonable time following receipt of such request, furnish reports and shall give specific answers to questions regarding the contracts, operations, and condition of the Property and Owner's compliance with the Ordinance and this Regulatory Agreement.

16. INDEMNITY FOR OWNER'S FAILURE TO MEET LEGAL REQUIREMENTS. Owner shall indemnify and hold Agency, its officers, directors, and employees harmless from any and all liability arising from Owner's failure to comply with the covenants, conditions and restrictions contained in this Regulatory Agreement. Without limitation, such indemnity shall include repayment to the appropriate parties of rents or sales proceeds in excess of amounts authorized to be charged.

17. CHANGES WITHOUT CONSENT OF LENDERS OR OTHERS. Only Agency and its successors and assigns, and Owner and its successors and assigns (subject to the reasonable approval of Owner's lender) shall have the right to consent and agree to changes in, or to eliminate in whole or in part, any of the covenants or restrictions contained in this Agreement. Such changes or termination shall not require the consent of any easement holder, licensee, other mortgagee, trustee, beneficiary under a deed of trust or any other person or entity having any interest less than a fee in the Property.

18. DEFAULT. Upon a breach of any of the provisions of this Regulatory Agreement by Owner, the Agency may give written notice of such breach to Owner by registered or certified mail. To the extent reasonable under the circumstance, in the event of any breach, the Agency and Owner shall reasonably endeavor to identify a remedy for such breach by conference and conciliation. If such violation is not corrected to the satisfaction of Agency within sixty (60) days after the date such notice is mailed or within such further time as the Agency may reasonably determine is necessary to correct the breach, and without further notice to Owner, the Agency may declare a default under the Agreement, effective on the date of such declaration of default, and upon such default the Agency may: (a) require Recapture and Agency Equity Share payments as provided in Sections 6 and 7, above, (b) take any action then available under the Ordinance, (c) foreclose the Deed of Trust and/or (d) apply to any court for: (i) specific performance of this Regulatory Agreement, (ii) for an injunction against any violation of this Regulatory Agreement, (iii) for the appointment of a receiver to take over and operate the Property in accordance with the terms of this Regulatory Agreement, and/or (iv) for money damages and for such other relief as may be appropriate. The injury to the Agency arising from a default under any of the terms in this Regulatory Agreement would be irreparable, and the amount of damage would be difficult to ascertain.

Agency may institute or prosecute in its own name, any suit Agency may consider advisable in order to compel performance of any obligation of Owner to own, maintain and sell the Property in conformity with this Regulatory Agreement and to remedy any default of this Regulatory Agreement. Agency may also seek a decree requiring removal of any improvements constructed at the Property which improvements are designed or suitable for uses not permitted under this Regulatory Agreement.

The remedies of the Agency under this Regulatory Agreement are cumulative. The exercise of one or more of such remedies, including, without limitation, remedies under the Ordinance shall not be deemed an election of remedies and shall not preclude the exercise by the Agency of any one or more of its other remedies.

19. BINDING SUCCESSORS IN INTEREST. This Regulatory Agreement shall bind and the benefits shall inure to the Owner, its successors in interest and assigns during their respective periods of ownership of an interest in the Property, and inure to the Agency and its successors for the term of this Regulatory Agreement.

20. CONTRADICTION AGREEMENTS. Owner warrants that Owner has not, and will not, execute any other agreement with provisions in contradiction or opposition to the provisions of this Regulatory Agreement, and that, in any event, the requirements of this Regulatory Agreement are paramount and controlling as to the rights and obligations stated and supersede any other requirements in conflict with this Regulatory Agreement.

21. ATTORNEYS' FEES. If the services of any attorney are required by any party to secure the performance of this Regulatory Agreement or otherwise upon the breach of default of another party, or if any judicial remedy or mediation is necessary to enforce or interpret any provision of this Regulatory Agreement or the rights and duties of any person in relation to this Regulatory Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such party may be entitled. Any award of damages following judicial remedy or arbitration as a result of this Regulatory Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law. The prevailing party shall mean the party receiving an award in arbitration or a judgment in its favor, unless the award or judgment is less favorable than the best settlement offered in writing in a reasonable manner by the other party, in which case the prevailing party is the party making such settlement offer.

22. SEVERABILITY. If any term or provision of this Regulatory Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Regulatory Agreement shall not be affected; provided that the intent of the Regulatory Agreement may then be reasonably fulfilled. In any event, the term or provisions shall be deemed to be invalid only as to the entity and circumstance for which it was held to be invalid.

23. **NO WAIVER.** No waiver by the Agency of any breach of or default under this Regulatory Agreement shall be deemed to be a waiver of any other or subsequent breach or default.

24. **NOTICES.** Written notices and other written communications by and between the parties shall be addressed to the Owner at the Owner Address and to the Agency at the Agency Address or such other address as each respective party has designated by written notice to the other party. No party shall evade or refuse delivery of any notice.

THE PARTIES HAVE EXECUTED THIS REGULATORY AGREEMENT in Sacramento, California as of the date first written above.

OWNER :

**AGENCY: SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY**

By: _____
«BUYER/OWNER NAME»

By: _____
LaShelle Dozier, Executive Director

Approved as to form:

Agency Counsel

NOTARY ACKNOWLEDGEMENT REQUIRED

EXHIBIT 1 – LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA,
DESCRIBED AS FOLLOWS:

EXHIBIT 2 - RECAPTURE WORKSHEET

GENERAL			
A	Property	The Property which is subject to payment of Recapture :	APN: _____ Address: _____
B	Regulatory Agreement	Recorded against the Property	Dated: _____ Owner: _____
MATTERS OF PRIOR SALE			
C	Owner's Purchase Price	Owner's affordable sales price	\$ _____
MATTERS OF RESALE			
D	Affordable Price	New affordable sales price as determine by Agency	\$ _____
E	Resale Price	Actual resale price in the current transaction	\$ _____
PAYMENTS TO OWNER ON RESALE			
F	Amount Owed to Owner	If E is less than or equal to D, Owner receives the difference between E and C, less costs of sale.	\$ _____
		If E is greater than D, then Owner receives D – C, less costs of sale.	\$ _____
PAYMENTS TO AGENCY ON RESALE			
G	Amount Owed to Agency	If E is greater than D, Agency receives the difference between E – D as Recapture	\$ _____

EXHIBIT 3—REQUEST FOR NOTICE

NO FEE DOCUMENT :

Entitled to free recording

per Government Code 27383.

When recorded, return to:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

801 12th Street

Sacramento, CA 95814

Attention: Portfolio Management

In accordance with Section 2924b of the Civil Code, the Sacramento Housing and Redevelopment Agency ("Agency") hereby requests notice of default and notice of pending sale at least 120 days prior to the effective date of any foreclosure or deed in lieu of foreclosure, or any sale of the property located at _____, Sacramento California, Assessor Parcel Number _____ ("Property") which is owned by _____ ("Owner") to insure that Owner complies with its obligations under the Regulatory Agreement for Homeownership Property between Owner and Agency dated _____, which requires prior notice of sale to Agency and Owner's payment to Agency of recapture and Agency equity share. Such notice must be sent to:

Sacramento Housing and Redevelopment Agency

Attn: Portfolio Management

801 12th Street Sacramento CA 95814

By: _____

LaShelle Dozier

Executive Director

Dated: _____

EXHIBIT 4 – DEED OF TRUST

NO FEE DOCUMENT:

Entitled to free recording
per Government Code §§6103 and 27383.

When recorded, return to:
SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY
810 12th Street
Sacramento, CA 95814
Attention: Portfolio Management

RECAPTURE DEED OF TRUST AND ASSIGNMENT OF RENTS

For purposes of this Deed of Trust, the following capitalized terms shall have the meanings ascribed in the space adjacent to them:

TERM	DEFINITION
"Effective Date"	
"Trustor" and "Owner"	
"Owner's Address"	
"Trustee" and "Title Company"	
"Beneficiary " and "Agency"	Sacramento Housing and Redevelopment Agency, a joint powers agency
"Agency Address"	801 12 th , Sacramento, California 95814;
"Property"	Which is real property located in the County of Sacramento and the State of California as more particularly described in the Legal Description.
	Address
	Assessor's Parcel Number
"Legal Description"	The Legal Description of the Property which is more particularly described in the attached Exhibit "A" , which is an incorporated in and an integral part of this Deed of Trust
"Agency Subsidy"	Which is the amount of the reduction in the purchase price of the Property conferred to Owner at the time of sale and a portion of the appreciation of the Property thereafter ("Recapture") as described in the Regulatory Agreement which is secured by this Deed of Trust.
"Regulatory Agreement"	Which is the Regulatory Agreement for Homeownership Property between Agency and Owner stating the term and conditions of the obligation of Owner to pay the Agency Recapture upon the resale, transfer or refinance of the Property.
	Which is dated:

THIS DEED OF TRUST is made as of the Effective Date between the Trustor also referenced as the Owner, the Trustee, and the Beneficiary also referenced as Agency.

Owner, in consideration of the indebtedness described below and the trust created by this Deed of Trust, irrevocably grants and conveys the Property to Trustee, in trust with power of sale.

Together with all the improvements now or subsequently erected on the property, and all easements, rights, appurtenances, rents (subject, however, to the rights and authorities given to Agency to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property including, but not limited to, all gas and electric fixtures, radiators, heaters, furnaces, heating equipment, steam and hot water boilers, stoves, ranges, bathtubs, sinks, water closets, basins, pipes, faucets and other plumbing, air conditioning and heating equipment, cabinets, mantels, cooking apparatus and appurtenances, and shades, awnings, screens, now or hereafter attached to the property, and memberships or voting rights arising from the ownership of the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property are referred to as the "Property";

To secure to Agency (a) the payment of the Recapture; and (b) the performance of the covenants and agreements of Owner contained in this Deed of Trust or the Regulatory Agreement.

Owner covenants that Owner is lawfully seised of the estate conveyed by this Deed of Trust and has the right to grant and convey the Property, and that Owner will warrant and defend generally the title of the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Owner's interest in the Property.

Owner and Agency covenant and agree as follows:

1. Payment of Agency Recapture. Owner shall promptly pay upon demand of Agency the amount of Recapture as evidenced by the Regulatory Agreement.
2. Charges; Liens. Owner shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property by Owner making payment, when due, directly to the appropriate payee. Owner shall promptly furnish to Agency all notices of amounts due under this paragraph, and in the event that Owner makes payment directly, Owner shall promptly furnish to Agency receipts evidencing such payments. Owner shall pay when due any encumbrance, charge and lien, with interest in accordance with its terms, on the Property or any portion which are inferior or superior to this Deed of Trust.
3. Hazard Insurance. Owner shall keep the improvements now existing or later erected on the Property insured against loss of fire or hazards under a policy approved by Owner's lender consistent with the insurance requirements of the Owner's purchase money lien. Owner shall promptly furnish to Agency upon its request all renewal notices and all receipts of paid premiums. In the event of loss, Owner shall give prompt notice to the insurance carrier and Agency. Agency may make proof of loss if not made promptly by Owner. Unless Agency and Owner otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged.

Unless Agency and Owner otherwise agree in writing, any such application of insurance proceeds to restore or repair the Property shall not extend or postpone the due date of any Agency Subsidy payment or change the amount of such payment. If the Property is acquired by Agency pursuant to this Deed of Trust, all right, title and interest of Owner in and to any insurance policies and proceeds of such policies resulting from damage to the Property prior to the sale of acquisition shall pass to Agency to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

4. Preservation and Maintenance of Property. Owner shall keep the Property in good repair and shall not commit waste or permit impairment, demolition, or deterioration of the Property.

5. Protection of Agency's Security. Owner shall appear and defend any action or proceeding purporting to affect the security under this Deed of Trust or the rights of the Agency. If Owner fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Agency's interest in the Property, including, but not limited to, foreclosure, involuntary sale, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Agency may, upon notice to Owner, make such appearances, disburse such sums and take such action as are necessary to protect Agency's interest, including, but not limited to, disbursement of judgments, costs or reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Agency pursuant to this Section 5, with interest, shall become additional indebtedness of Owner secured by this Deed of Trust. Unless Owner and Agency agree to other terms of payment, such amounts shall be payable upon notice from Agency to Owner requesting payment, and shall bear interest from the date of disbursement at the highest rate permissible under applicable law. In any event, this Section shall be construed as a right and an option of Agency and shall not be construed to require Agency to incur any expense or take any action.

6. Inspection. Agency, by its designated representative, may make reasonable entries upon and inspections of the Property, provided that Agency shall give Owner and any occupant of the Property reasonable prior notice of any such inspection.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of all or any part of the Property, or for conveyance in lieu of condemnation, shall be applied as provided in the Regulatory Agreement.

If the Property is abandoned by Owner, or if, after notice by Agency to Owner that the condemnor offers to make an award or settle a claim for damages, Owner fails to respond to Agency within 30 days after the date such notice is mailed, Agency is authorized to collect and apply the proceeds, at Agency's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Agency and Owner otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment or change the amount of such payment.

8. Owner Not Released. Extension of the time for payment of the sums secured by this Deed of Trust granted by Agency to Owner or any successor in interest of Owner shall not operate to release, in any manner, the liability of the original Owner and Owner's successors in interest. Agency shall not be required to commence proceedings against such successor or refuse to extend time payment by reason of any demand made by the original Owner or Owner's successors in interest.

9. Forbearance by Agency Not a Waiver. Any forbearance by Agency in exercising any right or remedy under this Deed of Trust, or otherwise afforded by applicable law, shall not be a waiver or preclude the

exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Agency shall not be a waiver of Agency's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

10. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust, the Regulatory Agreement or afforded by law or equity, and may be exercised concurrently, independently or successively.

11. Successors and Assigns Bound; Joint and Several Liability Captions. The covenants and agreements contained in this Deed of Trust shall bind, and the rights under this Deed of Trust shall inure to, the respective successors and assigns of Agency and Owner, subject to the provisions of Section 14. All covenants and agreements of Owner shall be joint and several. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or to define its provisions.

12. Notice. Except for any notice required under applicable law to be given in another manner, any notice to be given under this Deed of Trust shall be given as provided for in the Loan Agreement. Any notice provided for in this Deed of Trust shall be deemed to have been given to Owner or Agency when given in the manner designated.

13. Governing Law; Severability. This Deed of Trust shall be governed by the law of the State of California. If any term or provision of this Deed of Trust shall, to any extent, be held invalid or unenforceable, the remainder of this Deed of Trust shall remain in full force and effect, and, the invalid or unenforceable provision shall be valid and enforceable as to any other person or circumstance.

14. Acceleration on Transfer or Refinancing of the Property; Assumption. If all or any part of the Property or an interest in the Property is sold or transferred or refinanced by Owner without Agency's prior written consent, Agency may, at Agency's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Agency shall have waived such option to accelerate if, prior to the refinancing, sale or transfer, Agency and the person to whom the Property is to be sold or transferred reach agreement in writing that the Regulatory Agreement may be assumed. If Agency has waived the option to accelerate provided in this Section and if Owner's successor in interest has executed a written assumption agreement accepted in writing by Agency, Agency shall release Owner from all obligations under this Deed of Trust.

If Agency exercises such option to accelerate, Agency shall mail Owner notice of acceleration. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Owner may pay the sums declared due. If Owner fails to pay such sums prior to the expiration of such period, Agency may, without further notice or demand on Owner, invoke any remedies permitted by this Deed of Trust.

15. Acceleration on Breach; Remedies. Except as provided in Section 14, upon Owner's breach of any covenant or agreement of Owner in this Deed of Trust, the Regulatory Agreement Note, (including the covenants to pay when due any sums secured by this Deed of Trust and restricting transfer of the Property), Agency shall mail notice to Owner specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, no less than 30 days from the date the notice is mailed to Owner, by which breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. If the breach is not cured on or before the date specified in the notice, Agency at Agency's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Agency shall be entitled to

collect from the Owner, or sale proceeds, if any, all reasonable costs and expenses incurred in pursuing the remedies provided in this Section, including, but not limited to reasonable attorney's fees.

If Agency invokes the power of sale, Agency shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Agency's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which any portion of the Property is located. Agency or Trustee shall mail copies of such notice in the manner prescribed by applicable law to Owner and to the other persons prescribed by applicable law. Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Owner, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale, in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Agency or Agency's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser a Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements it contains. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust and (c) the excess, if any, to the person or persons legally entitled thereto as determined by Agency. In the event of a dispute regarding the excess funds, either Agency or Trustee may file an action in interpleader to determine who shall receive the funds and may then deposit the excess funds with the court.

16. Assignment of Rents; Appointment of Receiver; Agency in Possession. As additional security, Owner assigns to Agency the rents of the Property, provided that Owner shall, prior to an acceleration for breach as provided above or abandonment of the Property, have the right to collect such rents as they become due.

Upon acceleration for breach or abandonment of the Property, Agency, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Agency, its agent, or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. Agency, its agent and the receiver shall be liable to account only for those rents actually received.

17. Prior Lienholder. The provisions of this Deed of Trust shall operate subject to the claims of prior lienholders to the extent of such claims.

18. Termination in Event of Foreclosure or Involuntary Sale. This Deed of Trust and all and several of the terms hereof, shall terminate and be of no further force and effect in the event of: (a) a foreclosure by the senior lender of the lien of a deed of trust on the Property or delivery of a deed in lieu of foreclosure pursuant to which the senior lender, trustee or a purchaser or transferee shall take possession of the Property, or (b) foreclosure or delivery of a deed in lieu of foreclosure whereby a third party (other than the Owner or any related person of the Owner) shall take possession of the Property, or (c) involuntary non-compliance with the provisions of this Deed of Trust caused by fire, condemnation, involuntary seizure of the Property by a local, state or federal agency, requisition, or a similar event; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure, the delivery of a deed in lieu of foreclosure or a similar event, the Owner or any related

person to it (within the meaning of Section 1.103-10(e) of the Internal Revenue Service Regulations) obtains an ownership interest in the Property for Federal income tax purposes. The term "senior lender" shall mean a lender with a lien of a deed of trust on the Property that is senior to this deed of trust by the order of recording or by the terms of a subordination agreement, or the maker of any purchase money loan the lien of which is recorded contemporaneously with this Deed of Trust. Upon the termination of the terms of this Deed of Trust, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Deed of Trust in accordance with its terms.

19. Reconveyance. Upon payment of all sums secured by this Deed of Trust or termination as provided in Section 18, Agency shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all notes evidencing indebtedness secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to such reconveyance. Such person or persons shall pay all costs of recordation, if any. The recitals in the reconveyance of any matters or facts shall be conclusive proof of their truthfulness.

20. Substitute Trustee. Agency, at Agency's option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed under this Deed of Trust. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee by this Deed of Trust and applicable law.

21. Request for Notice. Owner requests that copies of the notice of default and notice of sale be sent to Owner's address.

22. Statement of Obligation. Agency may collect a reasonable fee for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California, as it may be amended from time to time.

23. Use of Property. Owner shall not permit or suffer the use of any of the Property for any purpose other than the use for which the same was intended at the time this Deed of Trust was executed as set out in the Regulatory Agreement.

IN WITNESS WHEREOF, Owner has executed this Deed of Trust on the following date, effective as of the date first written above.

OWNER (Trustor):


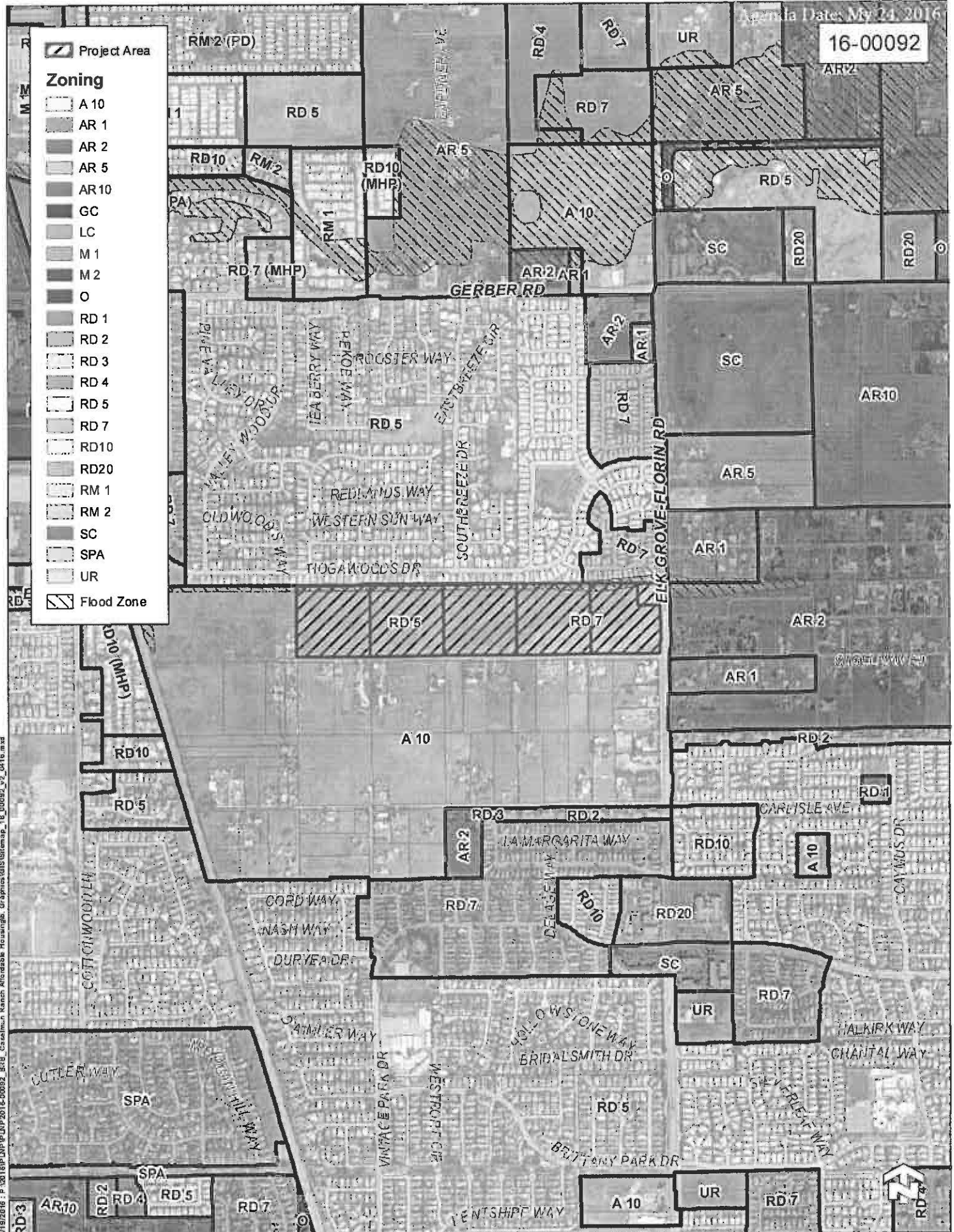
By: _____

Date: _____

[NOTARIZED ACKNOWLEDGEMENTS]

EXHIBIT A – LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA,
DESCRIBED AS FOLLOWS:

 Project Area Flood Zone

Department of
Community Development
Michael J. Penrose,
Interim Director



Divisions
Administrative Services
Building Permits & Inspection
Code Enforcement
County Engineering
Economic Development & Marketing
Planning & Environmental Review

MEMORANDUM

DATE: April 12, 2016

TO: Leighann Moffitt
Planning Director

FROM:  Catherine Hack
Environmental Coordinator

SUBJECT: **PLNP2016-00092. Caselman Ranch. CEQA Determination Under Section 15162 For:** an agreement by and between the County Of Sacramento and Taylor Morrison of California, LLC relative to an affordable housing strategy for a previously approved project (04-RZB-SDP-0233) known as Caselman Ranch. Environmental Document: Final Environmental Impact Report.

The former Department of Environmental Review and Assessment, pursuant to the regulations of the California Environmental Quality Act (CEQA), prepared an Environmental Impact Report (EIR) evaluating the environmental impacts of a Rezone, Use Permit, Tentative Subdivision Map, Special Development Permit, and Affordable Housing Plan for a project also known as Caselman Ranch (Control No. 04-RZB-SDP-SPP-UPB-AHS-0233 and 2004 GPB-CPB-0096).

A Final EIR was released on October 15, 2010. The document evaluated environmental impacts associated with Air Quality, Drainage/Hydrology, Climate Change, Wetlands, Biological Resources, Culture Resources, Noise Impacts, Traffic and Circulation, Sewer Service, Water Supply, and Infrastructure. The EIR also described how public infrastructure services such as water, sewer and drainage will be provided on-site. On December 15, 2010, the County Board of Supervisor's certified the Final EIR for the Florin-Vineyard "GAP" project and took final action to approve the General Plan Amendment and Community Amendment portion of the project. The Board of Supervisor's continued the remainder of the project (individual rezones and maps) for consideration in future public hearings. On March 8, 2011, the Board of Supervisor's approved the following entitlements for Caselman Ranch; Rezone, Tentative Subdivision Map, Special Development Permit, Use Permit, and Affordable Housing Plan (04-RZB-SDP-SPP-UPB-AHS-0233) and determined the environmental analysis was adequate and complete and the Environmental Impact Report was appropriate and adopted mitigation measures for hydrology, traffic, air quality, biological resources, climate change, noise, hazardous materials, and agricultural resources.

The approval included an affordable housing plan that required the construction of the 39 affordable for sale units distributed throughout the project site. On October 15, 2015 a substantial conformance

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www.per.saccounty.net

determination was made by the Department of Community Development, Planning and Environmental Review Division (PER), which allowed the number of proposed lots to be reduced from 261 to 255.

With the adoption of the amended Ordinance related to affordable housing, which amended Chapter 35 of Title 22 of the Sacramento County Code (February 25, 2014), the developer has different options within this Ordinance to meet the affordable housing obligations. Pursuant to Section 22.35.030, the standard affordable housing component requires that development projects shall 1) pay an affordability fee on all newly constructed market rate units, or 2) comply with the development project's approved affordable housing plan, if one exists, or 3) enter into a development agreement or other form of agreement with the County which provides for a fee credit for the production of affordable housing (Section 22.35.030(A)(3)).

Using the provisions of the adopted Ordinance, the applicant is requesting to modify the approved affordable housing plan by entering into an agreement with the County to construct affordable units as a credit toward the required affordability fee. Under the adopted Ordinance, the required number of constructed affordable units is reduced to 26. The request will not result in any substantial changes or create any new impacts that were not addressed in the previous Final EIR. In addition, the land uses in the project area have not changed in a manner that would necessitate an updated review.

It is the Environmental Coordinator's determination, pursuant to Section 15162 of the CEQA Guidelines, that there are no substantial changes in the project or in the circumstances under which the project is to be undertaken and that the project involves no new significant impacts that were not considered in the previous Final EIR for the Rezone, Use Permit, Tentative Subdivision Map, Special Development Permit, and Affordable Housing Plan (Control No. 04-RZB-SDP-SPP-UPB-AHS-0233 and 2004 GPB-CPB-0096). Therefore, no further Environmental Document is required. The Final EIR for Florin-Vineyard "GAP" project remains the appropriate document for the project and the Mitigation Monitoring and Reporting Program (MMRP) for the project remains applicable to the current project. A copy of the Final EIR and MMRP are attached to this correspondence.

Attachments:

Florin Vineyard "GAP" Final EIR (CD)
Caselman Ranch MMRP

RESOLUTION NO. SHRC-_____

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF
May 18, 2016

APPROVAL OF THE AFFORDABLE HOUSING AGREEMENT WITH TAYLOR MORRISON OF CALIFORNIA, LLC., FOR THE CASELMAN RANCH RESIDENTIAL PROJECT

NOW THEREFORE, BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in the staff report, are hereby approved and adopted.

Section 2. The Executive Director of the Sacramento Housing and Redevelopment Agency (SHRA) is authorized to enter into an Affordable Housing Regulatory Agreement (Agreement) with Taylor Morrison of California, LLC., the developer of the Caselman Ranch residential project (Project) in accordance with the approved Affordable Housing Strategy for the Project and the County of Sacramento's Affordable Housing Ordinance, contingent upon the delegation of approval of the Agreement by the Board of Supervisors of the County of Sacramento.

Section 3. The Executive Director of Sacramento Housing and Redevelopment Agency (SHRA) is authorized to enter into a Regulatory Agreement for Homeownership Property with qualified low income purchasers of the affordable units at the Project to ensure compliance with the provisions of the Ordinance, including, without limitation, that prior notice of resale is provided to SHRA to allow for referral of qualified low income households.

Section 4. The Executive Director of Sacramento Housing and Redevelopment Agency (SHRA) is authorized to accept a regulatory agreement monitoring fee of \$128,368 to cover SHRA's ongoing administrative expenses related to monitoring of the affordable housing units (per Section 22.35.030(A)(3)(b)).

Approval Of The Affordable Housing Agreement With Taylor Morrison Of California, LLC.,
For The Caselman Ranch Residential Project
Page 2 of 2

Section 5. The Executive Director, or its designee, is authorized to amend the SHRA budget accordingly to carry out the actions specified above.

CHAIR

ATTEST:

CLERK



May 13, 2016

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Sacramento Area Flood Control Agency Assessment Vote for City, Housing Authority
and Redevelopment Agency Successor Agency owned properties

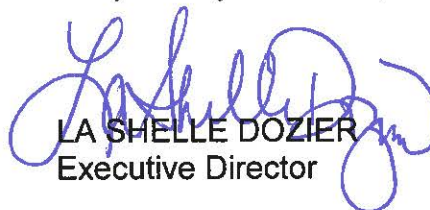
SUMMARY

The attached report and resolution are submitted to you for review prior to review by the
City of Sacramento.

RECOMMENDATION

Approve staff recommendation as outlined in the report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

Meeting Date: 5/17/2016

Report Type: Staff/Discussion

Report ID: 2016-00479



Title: (City Council/Housing Authority/Redevelopment Agency Successor Agency)
Sacramento Area Flood Control Agency's Assessment Vote for City, Housing Authority, and Redevelopment Agency Successor Agency Owned Properties

Location: Citywide

Recommendation: 1) Pass a City Council Resolution authorizing the City Manager or City Manager's designee to vote City-owned parcel ballots in favor of the Sacramento Area Flood Control Agency assessment; 2) pass a Housing Authority Resolution authorizing the Executive Director or Executive Director's designee to cast ballots, and to take all reasonable actions necessary, to approve, adopt and implement the proposed Consolidated Capital Assessment District of the Sacramento Area Flood Control Agency on behalf of the Housing Authority of the City of Sacramento; and 3) pass a Redevelopment Agency Successor Agency (RASA) Resolution authorizing the City Manager or City Manager's designee to vote RASA owned parcel ballots in favor of the Sacramento Area Flood Control Agency Assessment.

Contact: Randi L. Knott, Director of Governmental Affairs, (916) 808-5771, Office of the City Manager

Presenter: Randi L. Knott, Director of Governmental Affairs, (916) 808-5771, Office of the City Manager

Department: City Manager / Finance, City Attorney's Office

Division: Executive Office

Dept ID: 02001011

Attachments:

1-Description/Analysis

2-City Resolution

3-Housing Authority Resolution

4-RASA Resolution

City Attorney Review

Approved as to Form

Sheryl Patterson

5/11/2016 1:52:05 PM

Approvals/Acknowledgements

Department Director or Designee: Howard Chan - 4/29/2016 11:23:15 AM

Description/Analysis

Issue Detail: The City of Sacramento, Housing Authority of the City of Sacramento (HA) and the Redevelopment Agency Successor Agency (RASA) have received ballots for the Sacramento Area Flood Control Agency (SAFCA) assessment for each parcel that the City, Successor Agency and Housing Authority own respectively. Ballots must be completed and submitted to SAFCA on or before May __, 2016.

Policy Considerations: In 2007, SAFCA formed the Consolidated Capital Assessment District (CCAD) to fund the local cost share for projects to protect Sacramento from extreme floods. This assessment generated about \$320 million in revenue including \$240 million for capital costs and \$80 million for long-term operation and maintenance of completed projects. The capital funds were used to provide the local share of the cost of building a new auxiliary spillway at Folsom Dam and improving the levees along the American River, around the Natomas basin, and in the South Sacramento area. This local cost share represents 20 percent of the total cost of these projects.

Since 2007, new federal and state flood protection standards have been adopted that require additional improvements not anticipated by the CCAD. These additional improvements would address underseepage, erosion and encroachment issues that federal studies have shown to be the most likely cause of levee failures. Without these improvements, the U. S. Army Corps of Engineers (Corps) has determined that many levees in Sacramento do not meet the current design standards to provide at least a 100-year level of flood protection. As a result, property owners in the Natomas area are currently required to maintain flood insurance. This requirement will likely extend to property owners in other parts of Sacramento, such as North Sacramento downtown, Land Park and the Pocket areas if identified weaknesses are not quickly addressed.

In addition, the State Legislature has adopted new laws making continued growth in levee protected areas contingent on achieving at least a state defined 200-year level of flood protection by 2025.

In response to these developments, SAFCA has worked with the state and the Corps to identify the improvements needed to achieve 100-year protection, 200-year protection and ultimately more than 200-year protection in all areas of Sacramento. These improvements include installing deep cutoff walls along levees in North Sacramento, Natomas and the lower Sacramento River (various levee segments from downtown Sacramento through the Pocket) as well as implementing river bank erosion protection measures along the American and Sacramento Rivers.

Environmental Considerations: The recommendation in this report is for voting the special assessment ballots to approve a government funding mechanism which does not constitute a "project" and therefore is exempt from environmental review under the California Environmental Quality Act (CEQA) according to Section 15378(b)(4) of the CEQA Guidelines.

Sustainability: Not applicable

Commission/Committee Action: Not Applicable

Rationale for Recommendation: The City's top federal legislative priority is flood control and the safety of its citizens. Thus, voting in favor of the assessment is consistent with the City's legislative platform and principles and its commitment to public safety.

Financial Considerations: The City's annual cost for the new assessment would be approximately \$491,024, based on 1,617 parcels owned by the City. The City is currently paying an annual SAFCA assessment in the amount of \$428,379 which will be eliminated and replaced by the new assessment. Thus, the net increase in cost to the City for the new assessment would be approximately \$62,645 annually for 30 years, beginning in 2017. The cost could increase to the extent vacant lots become occupied.

The RASA annual cost for the new assessment would be approximately \$17,994, based on 268 parcels previously owned by the Redevelopment Agency. The RASA is currently paying an annual SAFCA assessment in the amount of \$12,838 which will be eliminated and replaced by the new assessment. Thus, the net increase in cost to the RASA for the new assessment would be approximately \$5,156 annually for 30 years, beginning in 2017. However, RASA is in the process of selling the prior Agency properties, so the on-going assessments would be paid by the purchasers.

The HA's annual cost for the new assessment would be approximately \$39,009, based on 303 parcels owned by the HA. The HA is currently paying an annual SAFCA assessment in the amount of \$21,810 which will be eliminated and replaced by the new assessment. Therefore, the net increase in cost to the HA for the new assessment would be approximately \$17,199 annually for 30 years, beginning in 2017. .

More than 85 percent of the capital cost of the flood control work will be borne by the State and the Federal Government and SAFCA needs to provide the required local matching funds. The amount of local revenue that this assessment will generate is about \$496.8 million that will go toward the \$3.64 billion in project expenses and \$227.4 million for ongoing operations and maintenance costs over the 30 year term of the assessment.

RESOLUTION NO. 2016-____

Adopted by

Sacramento City Council

**AUTHORIZING CITY MANAGER TO CAST VOTES IN FAVOR OF SACRAMENTO
AREA FLOOD CONTROL AGENCY'S ASSESSMENT FOR CITY OWNED
PROPERTY**

BACKGROUND

- A. The City's top legislative priority is flood control and the safety of its citizens.
- B. The proposed Sacramento Area Flood Control Agency (SAFCA) assessment would pay for the City's share of the cost of a variety of improvements needed to achieve a 200-year level of flood protection for the Sacramento area.
- C. The City's annual cost for the new assessment would be \$491,024. The City is currently paying an annual SAFCA assessment in the amount of \$428,379 which will be eliminated and replaced by the new assessment. Thus, the net increase in cost to the City for the new assessment would be \$62,645.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or his designee is authorized to vote City-owned parcel ballots in favor of the SAFCA assessment.

RESOLUTION NO. 2016-_____

Adopted by the Housing Authority of the City of Sacramento

**AUTHORIZATION FOR THE EXECUTIVE DIRECTOR OR HER DESIGNEE TO
CAST VOTES IN FAVOR OF THE SACRAMENTO AREA FLOOD CONTROL
AGENCY'S PROPOSED CONSOLIDATED CAPITAL ASSESSMENT DISTRICT**

BACKGROUND

The Housing Authority of the City of Sacramento needs to have the Executive Director or her designee be authorized to cast ballots and implement certain proposed assessments of the Sacramento Area Flood Control Agency.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING
AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

Section 1. The Executive Director, or her designee, is authorized to cast ballots, and to take all reasonable actions necessary, to approve, adopt and implement the proposed Consolidated Capital Assessment District of the Sacramento Area Flood Control Agency on behalf of the Housing Authority of the City of Sacramento.

RESOLUTION NO. 2016-_____

Adopted by

Redevelopment Agency Successor Agency

**AUTHORIZING CITY MANAGER TO CAST VOTES IN FAVOR OF SACRAMENTO
AREA FLOOD CONTROL AGENCY'S
ASSESSMENT FOR RASA OWNED PROPERTIES**

BACKGROUND

- A. The proposed Sacramento Area Flood Control Agency (SAFCA) assessment would pay for the RASA share of the cost of a variety of improvements needed to achieve a 200-year level of flood protection for the Sacramento area.
- B. RASA annual cost for the new assessment would be \$17,994. RASA is currently paying an annual SAFCA assessment in the amount of \$12,838 which will be eliminated and replaced by the new assessment. Thus, the net increase in cost to RASA for the new assessment would be \$5,156.
- C. RASA is required to dispose of prior Redevelopment Agency properties and the purchasers would be liable for paying the SAFCA assessment.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE
REDEVELOPMENT AGENCY SUCCESSOR AGENCY RESOLVES AS FOLLOWS:**

- Section 1. The City Manager on behalf of RASA is authorized to vote RASA owned parcel ballots in favor of the SAFCA assessment.



May 13, 2016

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Ballot Measure for the Sacramento Area Flood Control Agency's Proposed Property
Assessment District To Replace The 2007 Consolidated Capital Assessment District

SUMMARY

The attached report and resolution are submitted to you for review prior to review by the
City of Sacramento.

RECOMMENDATION

Approve staff recommendation as outlined in the report.

Respectfully submitted,



LASHELLE DOZIER
Executive Director

Attachment

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:
May 25, 2016

To: Housing Authority of the County of Sacramento

From: Sacramento Housing and Redevelopment Agency

Subject: Ballot Measure For The Sacramento Area Flood Control Agency's Proposed Property Assessment District To Replace The 2007 Consolidated Capital Assessment District

Supervisory
District(s): All

Contact: David Levin, Agency Counsel, 440-1330

Overview

The Sacramento Area Flood Control District (SAFCA) Board of Directors is asking property owners currently in the 2007 Consolidated Capital Assessment District (CCAD) to vote on a proposed new district, known as "CCAD 2". CCAD 2 is intended to fund a number of flood protection goals, largely driven by changes in state and federal policies, at a cost of about \$3.6 billion; an increase of \$1.3 billion over the projects funded by the 2007 CCAD. Although 80 percent of the costs are covered by state and federal funding, there is still a local match requirement of \$242 million. There are 160,000 parcels included in CCAD 2; the County of Sacramento owns 419 of the properties, plus 55 Housing Authority properties (Attachment 1). On May 10th, 2016, the Board approved a resolution agreeing to the proposed assessment district for the County owned parcels. This report will authorize the inclusion of the Housing Authority owned parcels. If approved, the increased assessments will be levied in August, 2017. Four County activities comprise 92 percent of the affected parcels. These include: Airports (42 percent), Parks Department (20 percent), Sacramento County Water Agency (18 percent), and Housing Authority (12 percent).

Recommendation

Adopt a Housing Authority Resolution:

1. Agreeing to the proposed Assessment District, and
2. Clarifying the previous authorization to allow the Director of General Services or designee, on behalf of the Housing Authority, to vote in favor of the Assessment, sign and date the Ballots, and return them by SAFCA's deadline on Monday, June 13, 2016.

Measures/Evaluation

Not applicable.

Fiscal Impact

The Housing Authority's increase is \$5,130.71, from \$115,529.78 to \$120,660.49 beginning in 2017.

BACKGROUND

SAFCA was established in 1989 to address the Sacramento area's vulnerability to catastrophic flooding. In response to the severe flooding in 1986, the City of Sacramento, the County of Sacramento, the County of Sutter, and the American River Flood Control District and Reclamation District No. 1000 created SAFCA through a Joint Exercise of Powers Agreement to provide the region with increased flood protection along the American and Sacramento Rivers.

SAFCA has secured almost \$2 billion since its inception to strengthen Sacramento's levee system, pulling nearly 120,000 properties out of the 100-year floodplain, and avoiding mandatory, high-cost flood insurance for homeowners.

DISCUSSION

Since 2007, state and federal agencies have adopted new policies that will require significant changes to Sacramento flood control projects. For example, the levees in the Pocket area and along Arcade Creek are no longer considered adequate to meet the 100-year level of flood protection. Channel erosion and underseepage issues will require much greater proactive management, and completed projects will demand more stringent requirements such as removal of hazardous vegetation to improve levee access and visibility.

The proposed new district, CCAD 2, will fund a number of flood protection projects to provide a 200-year level of protection in all areas of the floodplain. At a cost of about \$3.6 billion, this represents an increase of \$1.3 billion over the projects funded by the 2007 CCAD. 80 percent of the costs are covered by state and federal funding, but there is still a local match requirement of \$242 million, to be paid over 30 years by the property owners in CCAD 2. The Housing Authority owns 55 properties in the Assessment District.

If CCAD 2 is not approved, the affected property owners will be highly vulnerable to major flooding, and mandatory, high-cost flood insurance. Neighborhoods between the Sacramento and American Rivers may be remapped with less than a 100-year level of protection. The embankment and foundation deficiencies in the Pocket area would risk remapping back into the 100-year floodplain, and the levee underseepage and foundation stability risks around the Natomas basin would not be addressed.

Staff recommends the Housing Authority Board authorize the Director of General Services or designee, on behalf of the Housing Authority, to vote in favor of the Assessment, sign and date the Ballot and return it to SAFCA by the deadline of Monday, June 13, 2016.

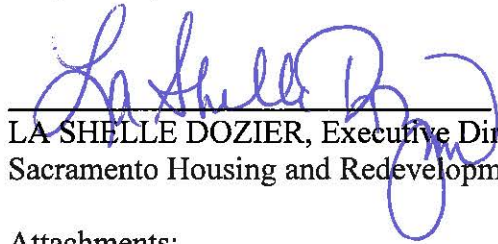
MEASURES/EVALUATION

Not applicable.

FINANCIAL ANALYSIS

The Housing Authority's increase is \$5,130.71, from \$115,529.78 to \$120,660.49 per year beginning in 2017.

Respectfully submitted,



LA SHELLE DOZIER, Executive Director
Sacramento Housing and Redevelopment Agency

APPROVED:

NAVDEEP S. GILL
County Executive

Attachments:

Resolution

ATT 1 - CCAD 2 Property List

RESOLUTION NO. _____

**ADOPTED BY THE HOUSING AUTHORITY OF THE
COUNTY OF SACRAMENTO**

ON DATE OF

**BALLOT MEASURE FOR THE SACRAMENTO AREA FLOOD CONTROL
AGENCY'S PROPOSED PROPERTY ASSESSMENT TO REPLACE THE 2007
CONSOLIDATED CAPITAL ASSESSMENT DISTRICT**

WHEREAS, the Sacramento Area Flood Control District (SAFCA) sent the County, as well as all property owners within the Consolidated Capital Assessment District (CCAD) an "Official Flood Protection Assessment Ballot" (Ballot) requesting the County's support of a measure to create a new assessment district (CCAD 2); and

WHEREAS, if approved, CCAD 2 will fund a number of flood protection goals, at an increased cost of \$1.3 billion over the projects funded by the 2007 CCAD; and

WHEREAS, 80 percent of the costs are covered by state and federal funding, but there remains a local match requirement of \$242 million; and

WHEREAS, of the 160,000 parcels included in CCAD 2; the County of Sacramento owns 419 of the properties and 55 of the properties are owned by the Housing Authority (HA) of the County of Sacramento; and

WHEREAS, if approved, the increased assessments will be levied beginning in August, 2017; and

WHEREAS, on May 10, 2016, the Board of Supervisors authorized participation in the Assessment District for certain County departments.

**NOW THEREFORE, BE IT RESOLVED THAT THE HOUSING AUTHORITY OF
THE COUNTY OF SACRAMENTO**

Section 1. Hereby designates and authorizes the Director of General Services, on behalf of the Housing Authority, solely for the purposes herein, to vote in favor of the proposed assessment district, sign, and date the ballots and return them by SAFCA's deadline on Monday, June 13, 2016.

On a motion by Member _____, seconded by Member _____, the foregoing resolution was passed and adopted by the Housing Authority of the County of Sacramento, State of California, this 25th day of May, 2016, with the following vote, to wit:

AYES: Members,

NOES: Members,

ABSENT: Members,

ABSTAIN: Members

RECUSAL: Members,
(PER POLITICAL REFORM ACT (§ 18702.5.)

Chair of the Housing Authority
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk