

**City of Carson City
Agenda Report**

Date Submitted: October 11, 2011

Agenda Date Requested: October 20, 2011

Time Requested: consent

To: Mayor and Board of Supervisors

From: Public Works – Planning Division

Subject Title: For Possible Action: To approve a Quit Claim Deed and Reversionary Interest Agreement between Carson City and the Sierra Nevada Community Land Trust for the conveyance of a property at 1104 Palo Verde Drive to construct a single family affordable home pursuant to the provisions of NRS 244.287. (Lee Plemel)

Summary: The agreement would allow the construction of one single-family home at 1104 Palo Verde Drive to be maintained as affordable housing for 50 years.

Type of Action Requested:

Resolution
 Formal Action/Motion

Ordinance
 Other (Specify)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Board Action: I move to approve a Quit Claim Deed and Reversionary Interest Agreement between Carson City and the Sierra Nevada Community Land Trust for the conveyance of a property at 1104 Palo Verde Drive to construct a single family affordable home pursuant to the provisions of NRS 244.287.

Explanation for Recommended Board Action: On May 5, 2011, the Board of Supervisors approved the Sierra Nevada Community Land Trust (SNCLT) to construct, sell, and monitor an affordable single-family residence for a family whose income at the time of application for such housing does not exceed 80 percent of the median gross income for families in Carson City, on City-owned property located at 1104 Palo Verde Drive, APN 004-141-05, and directed staff to prepare an agreement for approval by the Board of Supervisors between the City and the SNCLT. This agreement will complete the transaction to allow the SNCLT to construct an affordable single family home per the proposal previously approved by the Board of Supervisors.

Applicable Statue, Code, Policy, Rule or Regulation: NRS 244.287

Fiscal Impact: Disposal of the City property would increase property tax revenue to the City.

Explanation of Impact: Upon sale of the proposed home, the property would no longer be tax-exempt (under public or non-profit ownership) and property taxes would be collected by the City.


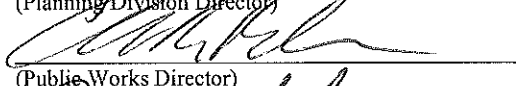
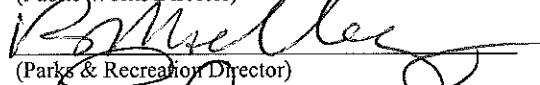
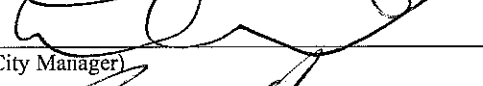
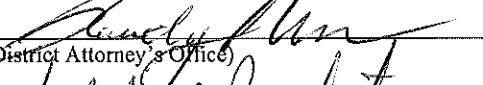

Funding Source: N/A

Alternatives: Do not authorize the disposal of the property.

Supporting Material:

- 1) Quit Claim Deed and Reversionary Interest Agreement
- 2) NRS 244.287
- 3) Property locator map
- 4) Sierra Nevada Community Land Trust Proposal

Prepared By: Janice Brod, Grants Program Coordinator

Reviewed By:  Date: 10/11/11
(Planning Division Director)
 Date: 10-11-11
(Public Works Director)
 Date: 10/11/11
(Parks & Recreation Director)
 Date: 10/11/11
(City Manager)
 Date: 10/11/11
(District Attorney's Office)
 Date: 10/11/11

Board Action Taken:

		Aye/Nay
Motion: _____	1) _____	_____
	2) _____	_____

(Vote Recorded By)

APN 004-141-05

AFTER RECORDING RETURN TO:
LEE PLEMEL, DIRECTOR
CARSON CITY PLANNING DIVISION
108 E. PROCTOR ST.
CARSON CITY, NV 89701
APN 002-374-01

QUITCLAIM DEED AND REVERSIONARY INTEREST AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2011, between CARSON CITY, NEVADA, A CONSOLIDATED MUNICIPALITY, hereinafter called the GRANTOR, and Sierra Nevada Community Land Trust, a nonprofit organization under 26 U.S.C. section 501 (c)(3), hereinafter called the GRANTEE,

WHEREAS, a notice was published on April 24, 2011 and a public hearing took place on May 5, 2011 in accordance with NRS 244.287(2)-(3) to select a Community Housing Development Organization to construct, sell, and monitor an affordable family residence for a family whose income at the time of application for such housing does not exceed 80 percent of the median gross income for families in Carson City.

WITNESSETH:

1. The GRANTOR, for the purpose of transferring property to be used to provide affordable housing, does by these presents convey, remise, release and forever quitclaim unto the Grantee its successors and assigns, subject to the conditions, covenants and restrictions herein made, all of the Grantor's interest of, in and to that certain real property situate, lying and being in the Consolidated Municipality of Carson City, State of Nevada, and more particularly described as follows, to-wit:

A certain parcel situate in the SW ¼ NE ¼, Section 17, Township 15 North, Range 20 East, M.D.B. & M., Ormsby County (now Carson City County) Nevada, being more particularly described as follows:

Commencing at the section corner common to Sections 8, 9, 16 and 17; thence S. 42° 46' 31"W. 1938.87 feet; to a point on the Northerly right-of-way line of Palo Verde Drive as shown on the plat of the Purple Sage Subdivision Unit No. 1; thence N. 89°5' 28" W. 339.05 feet along said Northerly right-of-way line of Palo Verde Drive to the true point of beginning; thence N. 0° 50' 02" E. 110.01 feet to a point; thence S. 89° 55' 32" E. 71.00 feet to a point; thence S. 0° 50' 02" W. 110.22 feet to a point on the Northerly right-of-way line of Palo Verde Drive; thence N. 89° 45' 28" W. along the said Northerly right-of-way line of Palo Verde Drive 71.00 feet to the true point of beginning.

2. TOGETHER WITH, all and singular, the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

This Quitclaim Deed does not include any water rights, which term includes water rights credits and any other form of water rights, and should there be any such water rights appurtenant to the above referenced parcel, such rights are specifically reserved and retained by Grantor, to have and to hold as property of Grantor.

TO HAVE AND TO HOLD, all and singular, the said premises and all interest of the

APN 004-141-05

Grantor therein, together with the appurtenances, unto the Grantee, its successors and assigns, subject to the conditions, covenants and restrictions herein made.

THE INDENTURE FURTHER WITNESSETH:

(a) All references to the Grantor and/or Grantee herein shall refer to the successors and assigns of the Grantor and/or Grantee.

(b) The property described herein shall be used by Grantee for the construction of affordable housing pursuant to Nevada Revised Statutes 244.287, in substantial accordance with the plans submitted with the proposal for construction to the Carson City Board of Supervisors on May 5, 2011; and if the Grantee has not commenced construction of affordable housing, or entered into such contracts as are necessary to commence construction of affordable housing, within five (5) years from the date of this instrument, the property conveyed shall automatically revert to the Grantor upon compliance with the procedure set forth in this instrument.

(c) The conveyance is subject to the agreement of the Grantee that when the affordable housing is constructed on the property, the property shall be used for providing affordable housing for at least fifty (50) years *from the date of this instrument*, as defined in NRS 244.287. In the event the Grantee fails to use the property to provide affordable housing for the required period of time, the property shall automatically revert to the Grantor upon compliance with the procedure set forth in this instrument.

(d) This instrument contains the entire agreement of the parties and supersedes any prior written or oral agreements concerning the subject matter contained herein. There are no representations, agreements, arrangements or understandings, oral or written, relating to the subject matter, which are not fully expressed herein. No addition to or modification of any term or provision shall be effective unless set forth in writing and signed by all parties to this instrument, or their respective successors or assigns, as appropriate.

(e) From time to time, whether prior to or after recording of this instrument, each party shall execute and deliver such additional instruments as may be necessary to carry out the purpose and intent of this instrument.

(f) Each party represents and warrants to the other that it is authorized to enter into and execute this instrument and that the person or persons executing this instrument on its behalf are authorized to do so without the need to obtain further consent of any person or entity and upon execution this instrument shall be valid, binding and enforceable according to the terms against each party.

(g) If any provision of this instrument is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect without being impaired or invalidated in any way.

(h) In the event the property conveyed herein is used for other than the purpose to which it is restricted, or upon Grantee failing to comply with a condition, covenant or restriction hereof, such event is a violation of the terms of this instrument and to enforce compliance with the terms of this instrument the Grantor may give the Grantee a written notice of the violation of the terms of this instrument by certified, return receipt mail at the Grantee's address herein, or at the Grantee's then current address as found in the records

APN 004-141-05

of the Carson City Assessor and used for assessment notice purposes, describing the violation and giving notice of the Grantor's intent to declare the property reverted if the Grantee fails to correct the violation within a period of thirty (30) days from the date of mailing of the notice. If the Grantee allows the violation or non compliance to continue uncorrected after the limiting time period stated in the notice, the Grantor may at any time thereafter record an affidavit in the Official Records of Carson City, Nevada setting forth the violation or non compliance complained of, the actions of the Grantor to notify the Grantee of the failure to comply with the conditions, covenants or restrictions of this instrument and declaration of the reversion. Upon recording such affidavit, title to the property shall automatically revert to and vest in the Grantor, and the Grantee shall have no further right, title or interest therein or thereto.

IN WITNESS WHEREOF, the Grantor has hereunto caused these presents to be executed the day and year first above written and Grantee has joined in the execution of this instrument to acknowledge agreement with the covenants, conditions and restrictions set forth herein.

NRS 244.287 Conveyance of property to nonprofit organization for development of affordable housing; Application; public hearing; conditions; annual list of property conveyed; subordination of interest in property conveyed.

1. A nonprofit organization may submit to a board of county commissioners an application for conveyance of property that is owned by the county if the property was:

- (a) Received by donation for the use and benefit of the county pursuant to NRS 244.270.
- (b) Purchased by the county pursuant to NRS 244.275.

2. Before the board of county commissioners makes a determination on such an application for conveyance, it shall hold at least one public hearing on the application. Notice of the time, place and specific purpose of the hearing must be:

- (a) Published at least once in a newspaper of general circulation in the county.

(b) Mailed to all owners of record of real property which is located not more than 300 feet from the property that is proposed for conveyance.

- (c) Posted in a conspicuous place on the property that is proposed for conveyance.

↪ The hearing must be held not fewer than 10 days but not more than 40 days after the notice is published, mailed and posted in accordance with this subsection.

3. The board of county commissioners may approve such an application for conveyance if the nonprofit organization demonstrates to the satisfaction of the board that the organization or its assignee will use the property to develop affordable housing for families whose income at the time of application for such housing does not exceed 80 percent of the median gross income for families residing in the same county, as that percentage is defined by the United States Department of Housing and Urban Development. If the board of county commissioners receives more than one application for conveyance of the property, the board must give priority to an application of a nonprofit organization that demonstrates to the satisfaction of the board that the organization or its assignee will use the property to develop affordable housing for persons who are disabled or elderly.

4. If the board of county commissioners approves an application for conveyance, it may convey the property to the nonprofit organization without consideration. Such a conveyance must not be in contravention of any condition in a gift or devise of the property to the county.

5. As a condition to the conveyance of the property pursuant to subsection 4, the board of county commissioners shall enter into an agreement with the nonprofit organization that requires the nonprofit organization or its assignee to use the property to provide affordable housing for at least 50 years. If the nonprofit organization or its assignee fails to use the property to provide affordable housing pursuant to the agreement, the board of county commissioners may take reasonable action to return the property to use as affordable housing, including, without limitation:

- (a) Repossessing the property from the nonprofit organization or its assignee.

(b) Transferring ownership of the property from the nonprofit organization or its assignee to another person or governmental entity that will use the property to provide affordable housing.

6. The agreement required by subsection 5 must be recorded in the office of the county recorder of the county in which the property is located and must specify:

- (a) The number of years for which the nonprofit organization or its assignee must use the property to provide affordable housing; and

(b) The action that the board of county commissioners will take if the nonprofit organization or its assignee fails to use the property to provide affordable housing pursuant to the agreement.

7. A board of county commissioners that has conveyed property pursuant to subsection 4 shall:

(a) Prepare annually a list which includes a description of all property that was conveyed to a nonprofit organization pursuant to this section; and

- (b) Include the list in the annual audit of the county which is conducted pursuant to NRS 354.624.

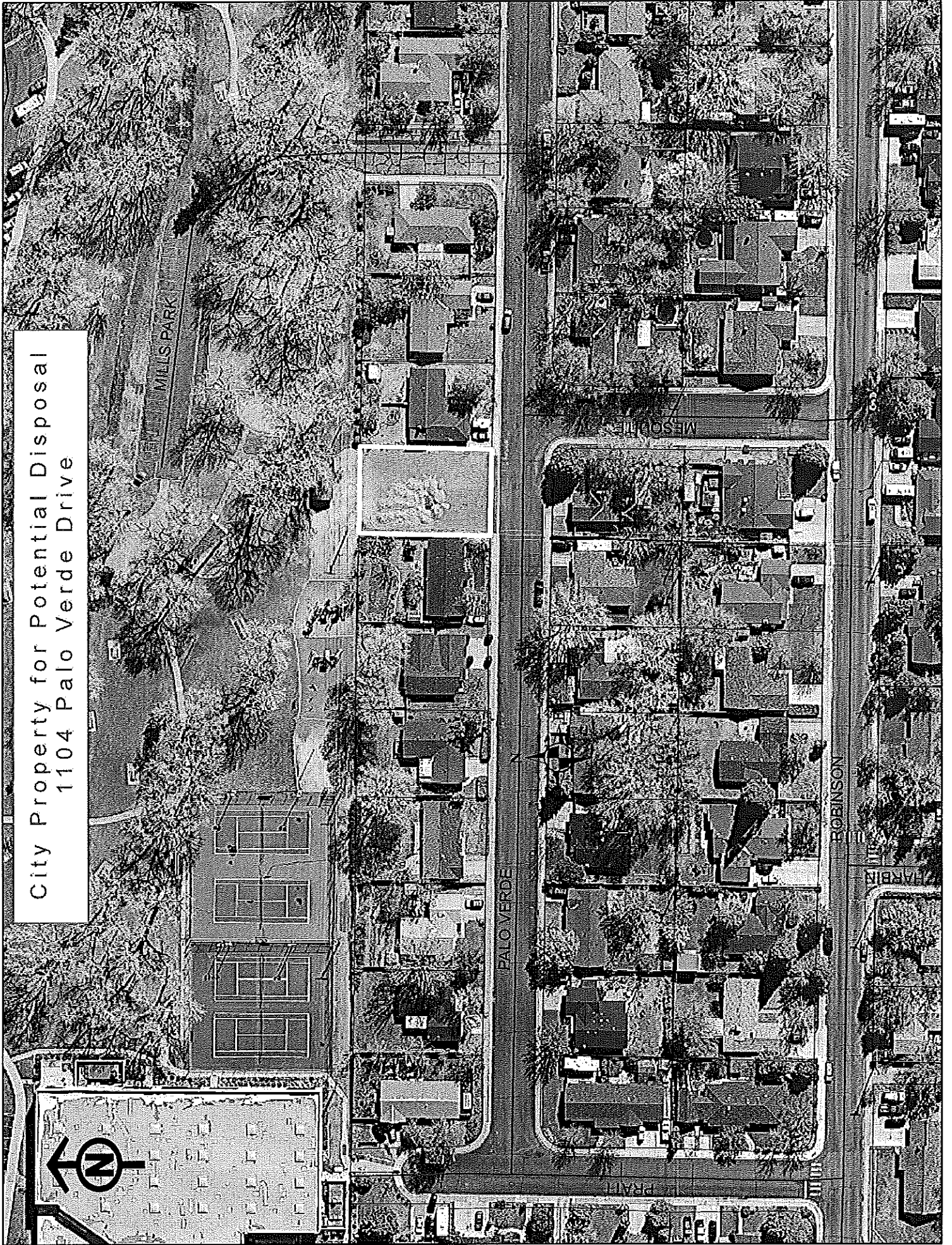
8. If, 5 years after the date of a conveyance pursuant to subsection 4, a nonprofit organization or its assignee has not commenced construction of affordable housing, or entered into such contracts as are necessary to commence the construction of affordable housing, the property that was conveyed automatically reverts to the county.

9. A board of county commissioners may subordinate the interest of the county in property conveyed pursuant to subsection 4 to a first or subsequent holder of a mortgage on that property to the extent the board deems necessary to promote investment in the construction of affordable housing.

10. As used in this section, unless the context otherwise requires, "nonprofit organization" means an organization that is recognized as exempt pursuant to 26 U.S.C. § 501(c)(3).

- (Added to NRS by 1997, 1735; A 1999, 3535)

City Property for Potential Disposal
1104 Palo Verde Drive





**Sierra Nevada Community Land Trust
P.O. Box 2109
Minden, Nevada 89423**

**Response to the Carson City
RFP # 1011-204**

**Anje A. deKnijf
775-721-5229
Fax- 775-782-7998
Email-anje@snclt.org**



Sierra Nevada Community Land Trust (SNCLT) is pleased to respond to the Carson City "Request For Proposal" for the construction, sale and monitoring of a single-family residence at 1104 Palo Verde Drive.

Sierra Nevada Community Land Trust seeks to provide permanent, long-term affordable housing for low-to-moderate income employed persons within the community. SNCLT plans to achieve this goal by securing property, rehabilitating it as necessary, and offering it for sale at below-market prices to income-qualified individuals through the use of Ground Lease agreements whereby the homebuyer purchases only the home and SNCLT maintains ownership of the land in perpetuity. The Carson City property on Palo Verde Drive would enable us to build a single family home on the property and then sell the home at a reduced cost to a low to moderate income individual. When homebuyers sell their homes, they do so under the Ground Lease that requires them to sell only to other income-qualified individuals and with a limit on the appreciated value of the home. By limiting the amount of appreciation that may be added to the homes' selling price, SNCLT ensures a continuously renewable stock of affordable housing.

SNCLT was formed as a nonprofit organization to create opportunities for employed families and individuals in our region to secure and occupy affordable housing within the community they serve. Our mission is based on the evidence that there is a growing gap between the median household income and the median sales price of a home, making it increasingly difficult for those who serve and work in our community to secure housing in the community. This difficulty is compounded by several factors that result from long commutes as well as decreased time with family, etc.

Our mission is to bridge the gap created by these economic realities through a community land trust that secures property, permanently reduces the cost of housing, finds buyers for homes and manages the properties that we own. We will also serve our clients by offering low-cost (or free) educational services that ensure their financial health and success, such as:

- Financial management classes
- Counseling services
- Drug and alcohol prevention and recovery classes
- Home maintenance workshops

We also strive to uphold the following values:

- Providing quality services to all of our clients, regardless of age, gender, race, color, religion, national origin, sexual orientation, or mental and physical disabilities.
- Making every neighborhood we inhabit a better place to live.
- Involving volunteers in community improvement and appreciating their contribution.
- Communicating with regularity and respect to our donors and other stakeholders.
- Being accountable and responsive to the donors, contractors, government officials, developers and others with whom we partner.
- Offering a fulfilling work experience and professional development for our employees.

Sierra Nevada Community Land Trust will be a leader in the nonprofit sector and a positive contributor to the constant improvement of our community. The primary region to be served by SNCLT includes Douglas County, Carson City and Lyon County. The efforts of SNCLT are not limited to this region, but this is the primary service area.

RFP Requirements

5.2.1 A statement of project understanding

We understand that Carson City desires to convey the parcel at 1104 Palo Verde Drive to a Nonprofit Organization for the development of affordable housing. As such, the selected non profit shall enter into an agreement with Carson City to provide affordable housing for at least 50 years. (The SNCLT Ground Lease provides for a 99 year lease that is renewable). In addition the selected non profit shall construct a single family residence in conformance with the Carson City Single Family 6,000 zoning standards and other Carson City building codes and requirements. After completion of the residence, it must be made available to a family with a household income of less than 80% of the Carson City median family income per HUD income limits. The sale of the house will include a deed restriction (SNCLT Ground Lease) requiring the house to be used as a primary residence and not as rental property. The SNCLT Ground Lease contains a provision that establishes a subsequent sales price that limits home appreciation with a Resale Formula. Through the use of this Resale Formula, the home remains affordable to other income-qualified (i.e. less than 80% of median income) families in perpetuity. SNCLT shall monitor the property and future sale of the property to insure compliance with the specified income guidelines. The SNCLT Ground Lease provides for a monthly lease fee payable to SNCLT which enables us to monitor the property. We also have a right to inspect the property to ensure it's condition and upkeep.

5.2.2 Proposed project approach, including construction, sale and monitoring the affordable house.

SNCLT proposes to build a 1250 square foot, 3 bedroom, 2 bath, single family home with a 2 car garage on the subject property. After analyzing comparable properties in the surrounding area, market value for this home has been estimated at \$125,000. SNCLT will sell this home to a qualified applicant for \$100,000 which makes it affordable to a family of four earning \$28,600 which is 44% of median income for Carson City, using HUD guide lines. The home will incorporate as many energy saving features as possible/practical to reduce energy costs to the homeowner. Features such as energy efficient landscaping, roofing, upgraded insulation, Energy Star lighting fixtures and windows, as well as a 95% efficient furnace will be strongly considered. We feel that the energy efficiency of the completed home will be at least 50% better than existing homes in the area. Where practical, recycled content will be used and low VOC products utilized. SNCLT is aware that it will have to drive building costs down towards the sale price and/or have the market rebound to a point where the price of a new home can compete with the existing residential homes that are for sale in the area.

SNCLT will procure a qualified buyer for this home prior to the commencement of construction. Public notice that SNCLT is accepting applications for the home will be given in accordance with HUD fair housing practices and procedures. Once a pool of applicants has been obtained, the buyer will be selected by our Community Advisory Board Homeowner Selection Committee. SNCLT anticipates the selection process to be completed approximately 90 days from its inception.

Construction on the home would commence upon the following conditions:

- Selection and approval of a qualified buyer by SNCLT.
- Approval, if required, of qualified buyer by Carson City.
- Buyer's procurement of construction and permanent financing.
- Buyer's signed ground lease contract with SNCLT (blank contract attached).
- Receipt of all required permits.
- Approval of all required applications.

Notice of completion on the home is anticipated to be filed approximately 120 days from the commencement of construction.

Upon completion and occupation of the home, SNCLT will assume all responsibility for monitoring the home for continuing compliance with SNCLT's ground lease contract and the resale agreement. These documents insure that upon resale, this home will be made available only

to Buyers that meet the SNCLT income restricted eligibility requirements. The ability to maintain affordability, in perpetuity, is the hallmark of the land trust model. (See Appendix D)

5.2.3 Organization capacity for completing the project and ensuring the continued use of the home as a primary residence for income-qualifying families.

We will have a project manager that will oversee the construction of the residence (See Appendix A). The ground lease agreement that the buyer signs has a deed restriction that requires the seller to sell only to income-qualifying families to ensure that the home is only sold to income-qualifying families and will remain affordable in perpetuity. In addition, there is a limited equity realization to the seller to keep the sales price of the house affordable. The ground lease will be reviewed by the buyer and their attorney so that they are aware of the resale restrictions. Also, the SNCLT will have to approve all subsequent buyers so we can ensure that the property is sold to an income-qualifying buyer. (See Appendix D)

5.2.4 Proposed schedule or time line for completion of the project.

Please see Appendix B for the schedule/time line for completing the project

5.2.5 Key Personnel information, including

A. Key staff, including project manager information

Key Staff for this project will include the SNCLT Executive Director who will oversee the applicant selection process, mortgage application and approval process as well as coordinating efforts that may be needed from the Board of Directors. Key individuals from our Community Advisory Board are committed to the success of this project and include Peter Beekhof who will oversee the construction process and will serve as project manager during construction. See Appendix A for details regarding the qualifications of our project manager.

B. Relevant Experience

Anje de Knijf – Serves as Executive Director, SNCLT. Anje graduated from San Diego State University and began a career in real estate in 1980. She has had her broker's license since 1985. She has been a Carson Valley resident since 1986.

John Hamer – Board Member - John has a strong real estate background that started in 1979 when he obtained his real estate license. He acquired his broker's license in 1983 and was General Manager of

Coldwell Banker ITILDO INC., for 20 years. John has experience in residential, commercial, land acquisition and development, investment property and 1031 exchanges. He is a Carson Valley resident for over 30 years and a past member of the Gardnerville Town Board, former Chair of the Professional Standards Committee, Board of Realtors, Rotary Member and past President and Director.

Bill Merrill – Member of the SNCLT Community Advisory Board, Building Contractor and co-owner of a development company and has built over 300 homes in Carson Valley.

Peter Beekhof - Member of the SNCLT Community Advisor Board. See Appendix A for project manager relevant experience.

C. Demonstrated commitment and availability to the project.

As a 501(c)3 non-profit public benefit corporation, we are committed to developing affordable housing solutions for those individuals and families of low to moderate incomes.

5.2.6 Proof of nonprofit status, including a copy of the IRS tax exempt 501(c)(3) letter, proof of incorporation certificate from the Secretary of State, current organization chart with names of staff members, list of current Board of Directors with terms of office, and a copy of the organization's most recently submitted federal tax return (Form 990 or 990EX.)

See Appendix C for the requested documents.

Appendix A

March 23, 2011

**WEST RIDGE HOMES, INC.
1170 SAWMILL ROAD
GARDNERVILLE, NV 89410
775.782.2884
FAX 775.782-2815**

OWNED & OPERATED BY PETER M. BEEKHOF, JR.

I started working part time in the building trade in my early teens, took construction classes in high school and at Cabrillo Jr. College in Santa Cruz, California where I grew up amongst the giant Sequoias.

I moved to Gardnerville in 1980 and worked for a local contractor for two years. In 1982 I obtained my contractor's license and started my career as a contractor. In November 1986 West Ridge Homes, Inc. was conceived.

The majesty of the Giant Redwoods that surrounded our home in Santa Cruz has helped to keep me aware of my environment and how the balance of nature is always in jeopardy. West Ridge Homes is constantly looking for ways to save on natural resources in our building practices.

The Number One priority in my personal life is my wife, Allison, and three children and one grandchild Amanda and her husband Dart along with grandson Logan, Ashley, and Chance. When we are not working we all love to scuba dive. The family and I also love just about any type of water sport, boating, skiing (water and snow), camping, and hiking. Chance and I also enjoy motorcycles and he is also leaning the construction trade and works on the jobs when not in school.

Associations:

**Past President of the Douglas County Building Industry Association
for 3 years**

**Currently Vice President of the Douglas County Building Industry
Association**

Current member of the Builder's Association of Western Nevada

Projects:

**The Meadows (56 units) Carson City, Nevada
Empire Estates (86 units) Carson City, Nevada
Ranchos Units 6 & 7 (400 homes) Gardnerville, Nevada
Ranchos Unit 5 (170 homes) Gardnerville, Nevada
SunBurst Estates (22 homes) Gardnerville, Nevada
Chichester Estates Phases 1 – 11 (350 homes) Gardnerville, Nevada
PineView Estates Phase 3 22 homes)
PineView Estates Phases 4 - 15 (29 homes) Gardnerville, Nevada
Pebble Creek Apartments (50 units) Gardnerville, Nevada
Austin's Children's Home 5000 sq. ft. – Minden, Nevada
1641 Mono – Commercial Bldg Revised from residential to
commercial – Minden, Nevada
1528 Hwy 395 – 12,000 sq. ft. Office Building – Tenant Improvements
and building revisions – Gardnerville, Nevada
1170 Sawmill Rd – Develop 38-acre commercial property –
Gardnerville, Nevada
Appaloosa Court – Developed 8 acre residential development
Gardnerville, Nevada
611 Dark Horse – Develop seven-acre residential property -
Gardnerville, Nevada**

**Over the years not listed we have built approximaty 30-40 custom homes in
the Carson Valley, Carson City, Reno, Silver Springs, Fallon, Dayton, Smith
Valley and Yerrington**

Our most current works are list below.

2009-2010

**17240 NorthStar Truckee Cal Compleat half bulld duplex town homes three
story building with approximately 3,600 sq ft, Estimated cost of
construction \$345,000. Owner Western Highland Mortgage, Contact Paul
Sullavan 530-577-5050**

2010

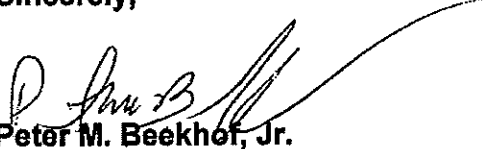
**1234 Sawmill Rd Gardnerville, NV. Construct one 40'x60x 16' RV/Shop
Owner Dave and Sandy 775-782-6686**

2010-2011

**1028 Cobble Stone Dr Gardnerville, NV
Custom built Single family home, 3,000 plus sq ft, single story home cost
\$268,000. Owner Bob Coker 916-539-1987**

**1100 Modoc South Lake Tahoe CA.
Construct one approximately 3,000 sq ft custom home two story Cost
\$300,000. Owner Western Highland Mortgage, Contact Kelly 530-577-5050**

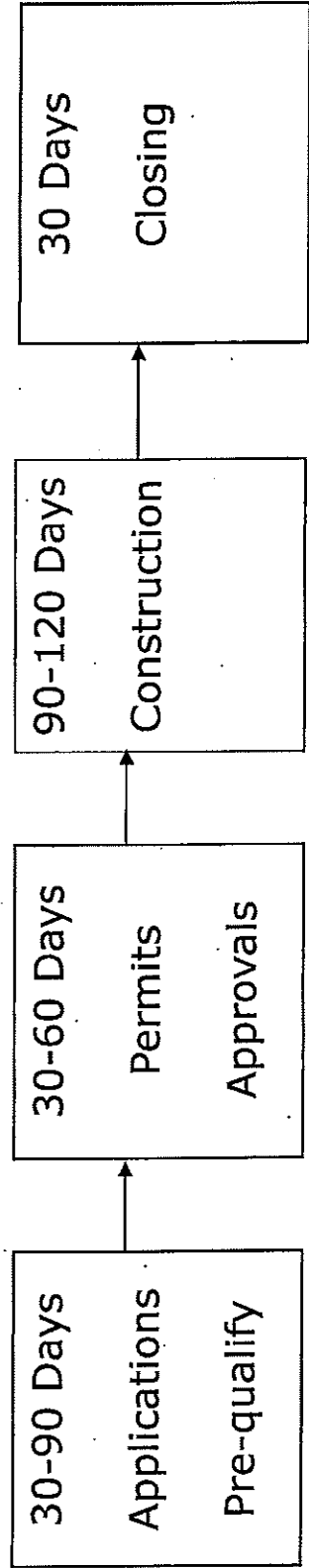
Sincerely,



**Peter M. Beekhof, Jr.
President**

Appendix B

TIME LINE FLOW CHART



INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

Appendix C

DEPARTMENT OF THE TREASURY

Date **MAR 21 2008**

SIERRA NEVADA COMMUNITY LAND TRUST
PO BOX 2109
MINDEN, NV 89423

Employer Identification Number:
20-8838856
DLN:
17053283308037
Contact Person: KAREN T HOOD ID# 75069
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
509(a)(2)
Form 990 Required:
Yes
Effective Date of Exemption:
March 30, 2007
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
June 30, 2011
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

SIERRA NEVADA COMMUNITY LAND TRUST

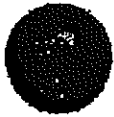
We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

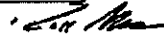
A handwritten signature in cursive script that reads "Robert Choi". The signature is written in dark ink and is positioned above the typed name.

Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Publication 4221-PC
Statute Extension



ROSS MILLER
 Secretary of State
 204 North Carson Street, Ste 1
 Carson City, Nevada 89701-4289
 (775) 684 5708
 Website: secretaryofstate.biz

Filed in the office of  Ross Miller Secretary of State State of Nevada	Document Number 20080164410-06
	Filing Date and Time 03/05/2008 7:16 AM
	Entity Number E0246632007-2

**Nonprofit Amendment
 (After First Meeting)**
 (PURSUANT TO NRS 81 AND 82)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nonprofit Corporations
 (NRS Chapters 81 and 82 - After First Meeting of Directors)

1. Name of corporation:

SIERRA NEVADA COMMUNITY HOUSING

2. The articles have been amended as follows (provide article numbers, if available):

1. NAME OF CORPORATION: SIERRA NEVADA COMMUNITY LAND TRUST

(NOTE TO SECRETARY OF STATE: This corporation is authorized to use the word "TRUST" in its name, pursuant to NRS 669.095(2)(e), as amended in 2007, in that the corporation is "doing business solely as a community-land trust.")

3. The directors (or trustees) and the members, if any, and such other persons or public officers, if any, as may be required by the articles have approved the amendment. The vote by which the amendment was adopted by the directors and members, if any, is as follows: directors and members .

4. Officer Signature (Required):


 Signature

Title

*A majority of a quorum of the voting power of the members or as may be required by the articles, must vote in favor of the amendment. If any proposed amendment would alter or change any preference or any relative or other right given to any class of members, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of a majority of a quorum of the voting power of each class of members affected by the amendment regardless of limitations or restrictions on their voting power. An amendment pursuant to NRS 81.21 D requires approval by a vote of 2/3 of the members.

FILING FEE: \$50.00

IMPORTANT: Failure to include any of the above information and submit the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

(NONPROFIT) ANNUAL LIST OF OFFICERS, DIRECTORS AND REGISTERED AGENT OF

FILE NUMBER

SIERRA NEVADA COMMUNITY LAND TRUST

E0246632007-2

(Name of Corporation)

FOR THE FILING PERIOD OF 3/2010

TO 3/2011

The corporation's duly appointed registered agent in the State of Nevada in whom process can be served is:

SULLIVAN LAW OFFICES, A P.C. (Commercial Registered Agent) 1625 HIGHWAY 88 STE 401 MINDEN, NV 89423 USA
<input type="checkbox"/> CHECK BOX IF YOU REQUIRE A FORM TO UPDATE YOUR REGISTERED AGENT INFORMATION

(This document was filed electronically.)
THE ABOVE SPACE IS FOR OFFICE USE ONLY

Important: Read Instructions before completing and returning this form.

1. Print or type names and addresses, either residence or business for all officers and directors. A President, Secretary, Treasurer, or equivalent of and all Directors must be named. There must be at least one director. An officer must sign the form. **FORM WILL BE RETURNED IF UNSIGNED**
 2. If there are additional directors attach a list of them to this form.
 3. Return the completed form with the \$25.00 filing fee, if no capitalization. A \$50.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.
 4. Make your check payable to the Secretary of State. Your cancelled check will constitute a certificate to transact business. To receive a certified copy, enclose an additional \$30.00 and appropriate instructions.
 5. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, NV 89701-4201, (775) 684-5708
- * Form must be in the possession of the Secretary of State on or before the last day of the month in which it is due. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fees and penalties.

FILING FEE \$25.00 IF NO CAPITALIZATION LATE PENALTY \$50.00

NAME GARY WILLIAMS	TITLE(S) PRESIDENT (OR EQUIVALENT OF)
ADDRESS C/O SULLIVAN LAW OFFICES 1650 N. LUCERNE, NO. 201, USA	CITY ST. ZIP MINDEN NV 89423
NAME JOHN HAMER	TITLE(S) SECRETARY (OR EQUIVALENT OF)
ADDRESS 1650 N. LUCERNE, # 201, USA	CITY ST. ZIP MINDEN NV 89423
NAME JOHN CRESSATY	TITLE(S) TREASURER (OR EQUIVALENT OF)
ADDRESS 1650 N. LUCERNE, NO. 201, USA	CITY ST. ZIP MINDEN NV 89423
NAME JD SULLIVAN	TITLE(S) DIRECTOR
ADDRESS C/O SULLIVAN LAW OFFICES 1650 LUCERNE, NO. 201	CITY ST. ZIP MINDEN NV 89423

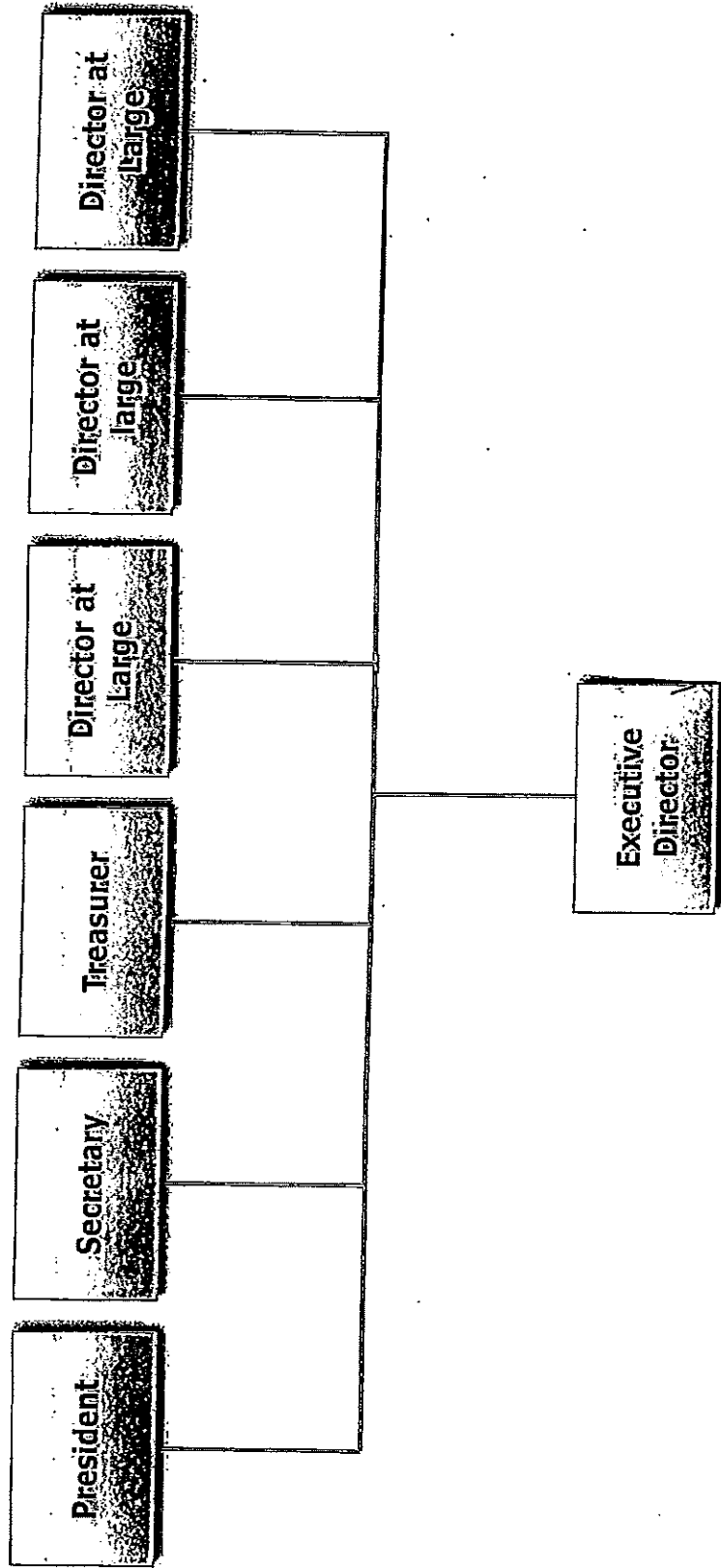
I declare, to the best of my knowledge under penalty of perjury, that the above mentioned entity has complied with the provisions of NRS 360.780 and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X Signature of Officer JOHN CRESSATY

Title TREASURER

Date 3/11/2010 9:41:56 AM

ORGANIZATION CHART
THE SIERRA NEVADA COMMUNITY LAND TRUST



Sierra Nevada Community Land Trust

P.O. Box 2109, Minden, NV 89423

info@snclt.org ~ www.snclt.org

Board of Directors

Gary Williams
President

Tom McPhail
Secretary

John Cressaty
Treasurer

John Hamer

Ted Nagel

Reen Tisinger

Executive Director

Anje de Knijf
775-721-5229

General Counsel

J.D. Sullivan

Community

Advisory Board

Pete Beekhof

Gerald Bing

Mark Chase

Roger Falcke

Dennis Freitas

Bob Hadfield

Lloyd Higuera

Brent Holderman

Helaine Jesse

Leo Kruger

Renea Louie

Larry Martin

Bill Merrill

Greg Painter

Pam Pugliese

Doug Sonnemann

Suzy Stockdale

Bobby Wartgow

Darcy Worms

March 12, 2011

Our current board of directors is comprised of:

Gary Williams, President
Tom McPhail, Secretary
John Cressaty, Treasurer
John Hamer, Director at Large
Reen Tisinger, Director at Large
Ted Nagel, Director at Large

Of these board members Reen Tisinger and Ted Nagel are the members that are representatives from the low-income community. No one on the board is a public official or employee. Per the Articles of Incorporation there are indefinite terms for all board members. They can resign at will.

Anje de Knijf
Executive Director

2/8/2011

Form 990-N (e-Postcard) Submitted



e-Postcard
file your electronic IRS Form 990-N



Form 990-N (e-Postcard) Submitted

SIERRA NEVADA COMMUNITY HOUSING

20-8838856

2009 IRS Form 990-N (e-Postcard)

7/1/2009 - 6/30/2010

Congratulations, your Form 990-N (e-Postcard) has been submitted to the IRS.

Once the IRS receives and processes your e-Postcard (usually within 30 minutes), you will receive an email indicating whether your e-Postcard was accepted or rejected. If accepted, you are done for the year. If rejected, the e-filing receipt email will contain instructions on how to correct the problem.

[Log out](#)

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Questions or problems regarding this web site should be directed to [Tech Support](#)

Concerned about your privacy? Please view our [privacy policy](#).

This website is best viewed with Microsoft Internet Explorer 5.5+ or Mozilla Firefox with a screen resolution of 1024 X 768.

Last modified: October 7, 2010.

Mark Chase

From: epostcard@urban.org
Sent: Tuesday, February 08, 2011 12:35 PM
To: Mark Chase
Subject: Form 990-N E-filing Receipt - IRS Status: Accepted

Organization: SIERRA NEVADA COMMUNITY HOUSING
EIN: 20-8838856
Submission Type: Form 990-N
Year: 2009
Submission ID: 7800582011039d172555
e-File Postmark: 2/8/2011 3:29:13 PM
Accepted Date: 2/8/2011

The IRS has accepted the e-Postcard described above. Please save this receipt for your records.

Thank you for filing.

e-Postcard technical support
Phone: 866-255-0654 (toll free)
email: ePostcard@urban.org

SIERRA NEVADA COMMUNITY HOUSING
% Gary Williams
PO Box 2109
Minden, NV 89423

Exhibit D

Excerpts from the Sierra Nevada Community Land Trust Ground Lease

a. Resale Formula:

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY: Homeowner and CLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS: Homeowner may transfer the Home only to the CLT or an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers are to be completed only in strict compliance with this Article 10. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, and shall be null and void.

“Income-Qualified Person” shall mean a person or group of persons whose household income does not exceed _____ percent (___%) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner's estate shall notify CLT within ninety (90) days of the date of the death. Upon receiving such notice CLT shall consent to a transfer of the Home and Homeowner's rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as "a," "b," or "c," provided that a Letter of Agreement and a Letter of Attorney's Acknowledgment (as described in Article 1 above) are submitted to CLT to be attached to the Lease when it is transferred to the heirs.

- a) the spouse of the Homeowner; or
- b) the child or children of the Homeowner; or
- c) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Attorney's Acknowledgment as provided above, must demonstrate to CLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify CLT in writing of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL: No later than ten (10) days after CLT's receipt of Homeowner's Intent-to-Sell Notice, CLT shall commission a market valuation of the Leased Land and the Home (The Appraisal) to be performed by a duly licensed appraiser who is acceptable to CLT and Homeowner. CLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Leased Land and Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. The Appraisal shall state the values contributed by the Leased Land and by the Home (consisting of improvements only) as separate amounts. Copies of the Appraisal are to be provided to both CLT and Homeowner.

10.6 CLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, CLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If CLT elects to purchase the Home, CLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, CLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person.

The purchase (by CLT or CLT's assignee) must be completed within sixty (60) days of CLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.7 below. The time permitted for the completion of the purchase may be extended by mutual agreement of CLT and Homeowner.

Homeowner may recommend to CLT a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Agreement and Attorney's Acknowledgement indicating informed acceptance of the terms of this Lease. CLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless CLT determines that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if CLT has failed to complete the purchase within the sixty-day period allowed by Section 10.6 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price. If Homeowner has made diligent efforts to sell the Home for at least six months after the expiration of the Purchase Option (or six months after the expiration of such sixty-day period) and the Home still has not been sold, Homeowner may then sell the Home, for a price no greater than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE: If CLT does not exercise its option and complete the purchase of Homeowner's Property as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Homeowner's Property out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent to Sell Notice, Homeowner does hereby appoint CLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the property, and pay to the Homeowner the proceeds of sale, minus CLT's costs of sale and any other sums owed CLT by Homeowner.

10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the value of the Home (consisting of improvements only) as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (b) the price calculated in accordance with the formula described below (the Formula Price).

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to Homeowner's Base Price, as stated below, plus 25% of the increase in market value of the Home, if any, calculated in the way described below.

Homeowner's Base Price: The parties agree that the Homeowner's Base Price for Homeowner's Property as of the signing of this Lease is \$_____.

Initial Appraised Value: The parties agree that the appraised value of the Home at the time of Homeowner's purchase (the Initial Appraised Value) is \$_____, as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL.

Increase in Market Value: The increase in market value of the Home equals the appraised value of the Home at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

Homeowner's share of Increase in Market Value: Homeowner's share of the increase in the market value of the Home equals twenty-five percent (25%) of the increase in market value as calculated above.

Summary of Formula Price: The Formula Price equals Homeowner's Base Price plus Homeowner's Share of Increase in Market Value.

b. Monitoring Parameters (Post-Purchase Stewardship):

The SNCLT's post-purchase stewardship function is what distinguishes the CLT model from other affordable homeownership programs. Of necessity, a CLT has an essential, ongoing, long-term stewardship role with regard to the owner-occupied homes on its land. Even if at some point it has ceased acquiring property, its commitment to stewarding previously acquired property should not waiver.

Basic Stewardship Goals and Necessary Activities

In its stewardship role a CLT has three basic goals:

- To preserve the affordability of its homes, for the intended income level, from one owner to the next -- and to see that only income-eligible owner-occupants benefit from this affordability;
- To see that the owners of those homes are secure -- that they are not displaced by foreclosure or other economic events;
- To see that the physical quality of those homes is preserved from one owner to the next.

In general, day-to-day, year-to-year activities fall into the following four categories:

- *Disclosure*: making sure that homeowners are given all the information necessary to understand their obligations and opportunities as lessee-homeowners.
- *Monitoring*: making sure that the CLT has adequate information about the homeowner's compliance with obligations and about her success as a homeowner.
- *Support*: helping homeowners succeed, through training, direct assistance when possible, or through referrals to other sources of help.
- *Approval*: reviewing all situations where a homeowner wants to take actions for which the CLT's approval is required, and deciding what is fair and appropriate.