

**REDEVELOPMENT AGENCY**

GOVERNMENTAL CENTER  
TOM BURNS  
AGENCY ADMINISTRATOR

**COUNTY OF SANTA CRUZ**

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May 26, 1998

Agenda: June 2, 1998

Board of Directors  
County of Santa Cruz Redevelopment Agency  
701 Ocean Street  
Santa Cruz, CA. 95060

**SALE OF HOUSING CREDITS**

Dear Members of the Board:

Elsewhere on this agenda your Board, as the Board of Supervisors, is considering an action to create nine affordable housing credits for two affordable projects previously assisted by the Redevelopment Agency. These credits, combined with eight credits previously approved for the Farm Project, would bring the total credits owned by the Redevelopment Agency to seventeen. The proceeds from the sale of these credits would provide substantial financing to allow the Agency to support a number of pending and future affordable housing projects.

In order for staff to market these credits, it is necessary for your Board to approve a sales price and authorize actions needed to allow the sales to proceed. It is staff's intention, pending approval of the credits and your Board's authorization for credit sales, to negotiate terms for sale of these credits to two projects which have expressed an interest in purchasing credits for some time -- the Rio Highlands and Standard Pacific (formerly Cowell) projects. Based upon historic credit sales, it is recommended that the sales price be established at the highest price previously paid and consistent with the recommended price for the credits to be sold to the Tan Project. — for \$100,000 each. Additionally, it is recommended that the credits be made available for sale for a 60 day period.

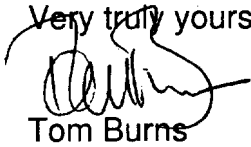
It is therefore **RECOMMENDED** that your Board, as the Board of Directors for the Redevelopment Agency, pending approval of the creation of additional housing credits by the Board of Supervisors, take the following actions:

1. Authorize sale of the Agency's housing credits for \$100,000 each; and
2. Authorize the Redevelopment Agency Administrator to negotiate for and complete the sale of the Agency's 17 credits as described in this letter.

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Board of Directors  
May 26, 1998  
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Very truly yours,



Tom Burns  
Redevelopment Agency Administrator

RECOMMENDED:



Susan A. Mauriello  
Redevelopment Agency Director

cc. RDA  
Planning Department

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