

Opinion: S. Tahoe Aspens project threatened by state

Publisher's note: The following comments were read into the record at the July 12, 2011, South Lake Tahoe City Council meeting. They are reprinted with permission. The council could not comment because the issue was not on the agenda, but instead brought up under public comments.

Honorable members of the City Council, members of the city staff,

My Name is Greg Whittaker and I am the owner of the property where the affordable housing project known as the Aspens has been planned to be built.

The Aspens:

Has all financing in place.

Has all regulatory approvals in place and Construction could start in the middle of August.

It will create a lot of local jobs.

It will generate \$160,000 in property tax revenue annually.

Gov. [Jerry] Brown's decision to eliminate redevelopment agencies poses a legal issue that has threatened the project.

Without an execution of the loan agreement authorized in the Resolution and Commitment given by the City Council, the credits and bonds will have to be returned in 60 days and the project will be effectively ended.

The most important issue is the distinction of the word "new" in the legislation.

Is the loan agreement a new contract, or a new obligation, or

is it a documentation of the terms, conditions and restrictions already specified, written out and agreed upon in the Resolution and Commitment?

The language of the resolution itself creates a commitment and an obligation with specific terms and conditions. It authorizes and directs the city manager to act on it.

The resolution says, "The city manager or his/her designee(s) are hereby authorized and directed, to execute, in the name of the applicant, the Loan Agreement, the Regulatory Agreement, and such other documentation reasonably necessary to document the loan between the Agency and Pacific West (PacWest) Communities, Inc."